世界華文 媒體 MEDIA CHINESE

Annual Report 2009

Media Chinese International Limited
世 界 華 文 媒 體 有 限 公 司

明報 MING PAO DAILY NEWS

星洲日報 SIN CHEW DAILY

南洋商報 NANYANG SIANG PAU

中國報 CHINA PRESS

光明日報

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

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Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*
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Ms SIM Sai Hoon

NON-EXECUTIVE DIRECTOR

Mr LEONG Chew Meng

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

GROUP EXECUTIVE COMMITTEE

Dato' LEONG Khee Seong *(Chairman)*
Mr TIONG Kiew Chiong
Ms SIEW Nyoke Chow
Ms SIM Sai Hoon
Mr ONG See Boon

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

Tan Sri Dato' LAU Yin Pin *(Chairman)*
Mr David YU Hon To
Mr Victor YANG
Mr TIONG Kiew Chiong
Ms SIM Sai Hoon

NOMINATION COMMITTEE

Mr Victor YANG *(Chairman)*
Mr David YU Hon To
Tan Sri Dato' LAU Yin Pin
Mr LEONG Chew Meng

COMPANY SECRETARY

Ms LAW Yuk Kuen

PRINCIPAL BANKERS

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

AUDITOR

PricewaterhouseCoopers

STOCK CODE

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

WEBSITE

http://www.mediachinese.com

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Selangor Darul Ehsan
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Canon's Court
22 Victoria Street
Hamilton HM12
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50350 Kuala Lumpur
Malaysia
Tel: (603) 9195 1688
Fax: (603) 9195 1799

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda
Tel: (852) 2978 5656
Fax: (852) 2530 5152

HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

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

MALAYSIA BRANCH REGISTRAR AND TRANSFER OFFICE

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

Tan Sri Datuk Sir TIONG Hiew King

Group Executive Chairman

Malaysian, aged 75, was appointed as the Chairman of Media Chinese International Limited (the "Company") on 20 October 1995. He is also the Executive Chairman of Rimbunan Hijau Group, a large diversified conglomerate in Malaysia comprising of timber harvesting, processing and manufacturing of timber products, tree-planting plantations and other businesses around the world. Tan Sri Datuk Sir TIONG Hiew King has extensive experience in a number of industries, including media and publishing, timber, oil palm, plantations and mills, oil and gas, mining, fishery, information technology and manufacturing. In Papua New Guinea, he also has an English newspaper named *The National*. He is currently the Chairman of The Chinese Language Press Institute. He was bestowed the Knight Commander of the Most Excellent Order of the British Empire (K.B.E.) by Queen Elizabeth II of the United Kingdom in June 2009 in recognition of his services to commerce, community and charitable organisation.

Tan Sri Datuk Sir TIONG Hiew King is the Executive Chairman of Sin Chew Media Corporation Berhad ("Sin Chew"), a wholly-owned subsidiary of the Company in Malaysia. He is the Chairman of the Board of Trustees of Yayasan Sin Chew, and currently serves as the Executive Chairman of Rimbunan Sawit Berhad (stock code: 5113), a listed company in Malaysia and Tri-M Technologies (S) Limited (stock code: T13), a listed company in Singapore. He also serves as a director of other private limited companies.

He is the brother of Mr TIONG Kiu King and Dato' Sri Dr TIONG Ik King, and a distant relative of Mr TIONG Kiew Chiong. All of them are directors of the Company, in addition, Dato' Sri Dr TIONG Ik King is a substantial shareholder of the Company.

丹斯里拿督張曉卿爵士

集團執行主席

馬來西亞公民，75歲，於一九九五年十月二十日獲委任為世界華文媒體有限公司(「本公司」)主席，他同時兼任馬來西亞大型多元化綜合企業常青集團的執行主席，該集團在全球擁有採伐、加工及製造木材產品、林木種植及其他業務。丹斯里拿督張曉卿爵士在多個行業均有豐富經驗，包括傳媒及出版、木材、油棕、林業、氣油、礦業、漁業、資訊科技及製造業等。他在巴布亞新畿內亞出版英文報章《*The National*》，也是世界中文報業協會的現任會長。他於二零零九年六月獲英女皇伊利沙伯二世冊封爵級司令勳章(K.B.E.)，以嘉許他對商界、社會及慈善機構作出的貢獻。

丹斯里拿督張曉卿爵士是本公司馬來西亞全資附屬公司星洲媒體集團有限公司(「星洲媒體」)的執行主席，也是星洲日報基金會信託人理事會的主席，現任馬來西亞上市公司常青油棕有限公司(股份代號：5113)及新加坡上市公司太安科技(新加坡)有限公司(股份代號：T13)之執行主席。他也出任多家其他私人有限公司的董事。

丹斯里拿督張曉卿爵士是張鉅卿先生及拿督斯里張翼卿醫生的胞兄，也是張裘昌先生的遠房親戚，他們均為本公司董事。此外，拿督斯里張翼卿醫生為本公司的主要股東。

Mr TIONG Kiu King

Executive Director

Australian, aged 74, was appointed as an executive director of the Company on 20 October 1995. He is the Chairman of One Media Group Limited ("OMG"), a subsidiary of the Company publicly listed on the main board of The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") (stock code: 426) since October 2005. Mr TIONG obtained a Diploma in Civil Engineering from Tak Ming College in Hong Kong in 1964. He has extensive business experience in many industries including media and publishing, property development, plantation, as well as investment projects in Mainland China. He also holds directorships in various subsidiaries of the Company and private limited companies.

He is the brother of Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King, and a distant relative of Mr TIONG Kiew Chiong. All of them are directors of the Company, in addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are substantial shareholders of the Company.

張鉅卿先生

執行董事

澳洲公民，74歲，於一九九五年十月二十日獲委任為本公司執行董事，同時也是本公司附屬公司萬華媒體集團有限公司(「萬華媒體」)(自二零零五年十月起在香港聯合交易所有限公司(「香港聯交所」)主板公開上市，股份代號：426)的主席。張鉅卿先生於一九六四年畢業於香港德明書院，取得土木工程文憑。他在傳媒及出版、物業發展、林業及中國大陸投資項目等領域均擁有豐富經驗。他也出任本公司多家附屬公司及私人有限公司的董事。

他是丹斯里拿督張曉卿爵士的胞弟及拿督斯里張翼卿醫生的胞兄，也是張裘昌先生的遠房親戚，他們均為本公司董事。此外，丹斯里拿督張曉卿爵士及拿督斯里張翼卿醫生是本公司的主要股東。

Dato' Sri Dr TIONG Ik King

Executive Director

Malaysian, aged 58, was appointed as an executive director of the Company on 20 October 1995. He has extensive experience in media and publishing, information technology, timber, plantations, oil palm and manufacturing industries. Dato' Sri Dr TIONG graduated from National University of Singapore with an M.B.B.S. Degree in 1975 and became a member of the Royal College of Physicians, United Kingdom (M.R.C.P.) in 1977. He was conferred the datukship title of Dato' Sri by the Sultan of Pahang, Malaysia on 24 October 2008 in recognition of his contribution to the country.

During the three-year period immediately preceding 31 March 2009, Dato' Sri Dr TIONG had been and subsequently resigned as a non-independent non-executive director of Sin Chew effective from 2 May 2008. Dato' Sri Dr TIONG sits on the boards of several listed companies, namely Jaya Tiasa Holdings Berhad (stock code: 4383) and EON Capital Berhad (stock code: 5266) in Malaysia; and Tri-M Technologies (S) Limited (stock code: T13) in Singapore.

He is the brother of Tan Sri Datuk Sir TIONG Hiew King and Mr TIONG Kiu King, and a distant relative of Mr TIONG Kiew Chiong. All of them are directors of the Company, and in addition, Tan Sri Datuk Sir TIONG Hiew King is a substantial shareholder of the Company.

拿督斯里張翼卿醫生

執行董事

馬來西亞公民，58歲，於一九九五年十月二十日獲委任為本公司執行董事。他在傳媒及出版、資訊科技、木材、林業、油棕及製造業等領域均擁有豐富經驗。拿督斯里張翼卿醫生於一九七五年畢業於新加坡國立大學，獲頒醫學學士學位，並於一九七七年取得英國皇家內科醫師學會會員資格。拿督斯里張翼卿醫生獲馬來西亞彭亨州蘇丹於二零零八年十月二十四日頒授拿督斯里封號，以表揚他對國家的貢獻。

截至二零零九年三月三十一日的前三年期間，拿督斯里張翼卿醫生曾任星洲媒體非獨立非執行董事，其後於二零零八年五月二日辭任。拿督斯里張翼卿醫生同時也是多家上市公司的董事，包括馬來西亞的常成控股有限公司(股份代號：4383)、國貿資本有限公司(股份代號：5266)及新加坡的太安科技(新加坡)有限公司(股份代號：T13)。

他是丹斯里拿督張曉卿爵士及張鉅卿先生的胞弟，也是張裘昌先生之遠房親戚，他們均為本公司董事。此外，丹斯里拿督張曉卿爵士為本公司的主要股東。

Dato' LEONG Khee Seong

Executive Director

Malaysian, aged 70, was appointed as an executive director of the Company on 20 March 2008. He is also the Chairman of the Group Executive Committee of the Company and the Executive Chairman of Nanyang Press Holdings Berhad ("Nanyang"), a wholly-owned subsidiary of the Company in Malaysia. Dato' LEONG obtained a Bachelor of Chemical Engineering from the University of New South Wales in Australia. He was a member of the Malaysian Parliament from 1974 to 1990 and the Minister of Primary Industries from 1978 to 1986. He was elected as the Chairman of the General Agreement on Tariffs and Trade's ("GATT") Negotiating Committee on Tropical Products from 1986 to 1990. During the period of 1986/1987, he was the Chairman of the Group of 14 on ASEAN Economic Co-operation and Integration.

Dato' LEONG also serves as an independent non-executive director of AirAsia Berhad (stock code: 5099) and TSH Resources Berhad (stock code: 9059), both of which are listed in Malaysia. He also holds directorships in a number of subsidiaries of the Company.

拿督梁棋祥

執行董事

馬來西亞公民，70歲，於二零零八年三月二十日獲委任為本公司執行董事，同時也是本公司集團行政委員會主席及本公司於馬來西亞的全資附屬公司南洋報業控股有限公司(「南洋報業」)的執行主席。拿督梁棋祥畢業於澳洲新南威爾士大學，考獲化學工程學士學位。他從一九七四年至一九九零年期間擔任馬來西亞國會議員，從一九七八年至一九八六年出任原產業部長。在一九八六年至一九九零年期間，他獲選為關稅及貿易總協定談判委員會(熱帶產品)之主席。在一九八六／八七年期間，他也是東協經濟合作及組合之14集團的主席。

拿督梁棋祥也是亞洲航空公司(股份代號：5099)及TSH資源有限公司(股份代號：9059)的獨立非執行董事，兩家公司均於馬來西亞上市。他也出任本公司多家附屬公司之董事。

Mr TIONG Kiew Chiong

Executive Director & Group Chief Executive Officer

Malaysian, aged 49, was appointed as an executive director of the Company on 2 May 1998. He is currently the Group Chief Executive Officer and a member of the Group Executive Committee and Remuneration Committee of the Company. Mr TIONG is also the Deputy Chairman of OMG, a subsidiary of the Company publicly listed on the main board of the HK Stock Exchange (stock code: 426) since October 2005. He has extensive experience in media and publishing business and is also one of the founders of *The National*, an English newspaper in Papua New Guinea launched in 1993. Mr TIONG obtained a Bachelor Degree of Business Administration from York University, Toronto, Canada in 1982. He serves as a director of various subsidiaries of the Company and several private limited companies.

He is the distant nephew of Tan Sri Datuk Sir TIONG Hiew King, Mr TIONG Kiu King and Dato' Sri Dr TIONG Ik King. All of them are directors of the Company, in addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are substantial shareholders of the Company.

張裘昌先生

執行董事兼集團行政總裁

馬來西亞公民，49歲，於一九九八年五月二日獲委任為本公司執行董事。目前為集團行政總裁，也是本公司的集團行政委員會及薪酬委員會成員。張裘昌先生也是萬華媒體的副主席。該公司是本公司附屬公司，自二零零五年十月起在香港聯交所主板上市（股份代號：426）。他在傳媒及出版業擁有豐富經驗。他於一九九三年在巴布亞新畿內亞參與創辦英文報章《*The National*》。張裘昌先生於一九八二年畢業於加拿大多倫多約克大學，獲頒工商管理學士學位。他也出任多家本公司附屬公司及私人有限公司之董事。

他是丹斯里拿督張曉卿爵士、張鉅卿先生及拿督斯里張翼卿醫生的遠房侄子。他們均為本公司董事。此外，丹斯里拿督張曉卿爵士及拿督斯里張翼卿醫生為本公司主要股東。

Ms SIEW Nyoke Chow

Executive Director

Malaysian, aged 53, was appointed as an executive director of the Company on 20 March 2008. She is currently the Chairman of Group Editorial Committee, a member of the Group Executive Committee of the Company and the Group Editor-In-Chief of Southeast Asia. She is also the Deputy Managing Director and Group Editor-In-Chief of Sin Chew, a wholly-owned subsidiary of the Company in Malaysia. Ms SIEW obtained her high school certificate from Tunku Abdul Rahman College, Malaysia in 1977, and subsequently a certificate of intensive course of journalism in Manila in 1983. She started her career as a reporter in Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad (former publisher of *Sin Chew Daily*) in 1978. She was appointed as the Head of Culture and Education Department of Sin Chew in 1992, and subsequently Deputy Chief Editor in 1995. She is currently an Advisor to the World Chinese Culture Research Centre of Fu Dan University, Shanghai and a Special Researcher to the World Chinese Media Research Centre of Beijing University. Ms SIEW is a trustee of Yayasan Sin Chew and JUST World International. She also holds directorships in a number of subsidiaries of the Company and several private limited companies in Malaysia.

蕭依釗女士

執行董事

馬來西亞公民，53歲，於二零零八年三月二十日獲委任為本公司執行董事。目前為本公司集團編輯委員會主席、集團行政委員會成員兼東南亞集團總編輯，同時也是本公司於馬來西亞之全資附屬公司星洲媒體的副董事總經理兼集團總編輯。蕭依釗女士於一九七七年在馬來西亞拉曼學院考獲高級劍橋文憑；其後於一九八三年在馬尼拉獲新聞專業課程證書。她於一九七八年加入星系報業(馬來西亞)私人有限公司(《*星洲日報*》前出版人)擔任記者，展開她的新聞工作生涯，更於一九九二年獲擢升為星洲媒體文教部主任；其後於一九九五年升任為副總編輯。她現任上海復旦大學世界華人研究中心的顧問及北京大學世界華人媒體研究中心的特約研究員。蕭女士為星洲日報基金會及國際公正世界組織信託人，也是本公司多家附屬公司及其他馬來西亞的私人有限公司的董事。

Ms SIM Sai Hoon

Executive Director

Malaysian, aged 49, was appointed as an executive director of the Company on 20 March 2008. She is a member of the Group Executive Committee and Remuneration Committee of the Company. She is an Executive Director of Sin Chew, a wholly-owned subsidiary of the Company in Malaysia. Ms SIM obtained a Bachelor of Science (Honours) in Chemistry and Management from the University of London and a Post-Graduate Diploma in Chinese from Ealing College, London in the United Kingdom. She has significant experience in setting up of joint venture companies with foreign partners in the manufacturing and utility businesses. Ms SIM is also a member of the National Association of Women Entrepreneurs, Malaysia and was a member of the National Advisory Council on the Integration of Women in Development, Malaysia. She sits on the Board of Yayasan Sin Chew as a Trustee and holds directorships in several private limited companies in Malaysia.

沈賽芬女士

執行董事

馬來西亞公民，49歲，於二零零八年三月二十日獲委任為本公司執行董事，同時也是本公司集團行政委員會及薪酬委員會成員，以及本公司於馬來西亞之全資附屬公司星洲媒體的執行董事。沈賽芬女士是倫敦大學理學士(榮譽)，主修化學及管理。其後在英國倫敦艾林(Ealing)學院取得中文深造文憑。她在製造業及公用事業方面，擁有與海外合夥人成立合營企業的豐富經驗。沈賽芬女士也是馬來西亞婦女企業家協會成員及馬來西亞婦女發展全國諮詢理事會成員。她現為星洲日報基金會信託人，以及多家馬來西亞私人有限公司的董事。

Mr LEONG Chew Meng

Non-executive Director (Non-independent)

Malaysian, aged 53, was appointed as a non-executive director of the Company on 14 April 2008. He is a member of the Audit Committee and Nomination Committee of the Company. He obtained a Bachelor of Commerce and Administration Degree majoring in accountancy from the Victoria University of Wellington in New Zealand. He is a Chartered Accountant of the Malaysian Institute of Accountants and qualified as an Associate Chartered Accountant of the Institute of Chartered Accountants, New Zealand. He is an accountant by profession, having extensive working experience for over 26 years in Malaysia. Prior to diversifying into the business sector as business consultant and advisor, he was the financial controller and finance director of several foreign-owned multinational companies in the manufacturing, trading and retail sectors.

During the three-year period immediately preceding 31 March 2009, Mr LEONG had been and subsequently resigned as a non-independent non-executive director of Nanyang effective from 30 April 2008. He had also resigned as an independent non-executive director of Sunrise Berhad (stock code: 6165), a listed company in Malaysia, effective from 28 October 2008. He is currently an independent non-executive director of Pulai Springs Berhad (stock code: 5059), a listed company in Malaysia.

梁秋明先生

非執行董事(非獨立)

馬來西亞公民，53歲，於二零零八年四月十四日獲委任為本公司非執行董事，同時也是本公司審核委員會及提名委員會成員。他在紐西蘭威靈頓維多利亞大學商管學系畢業，取得學士學位，主修會計。他是馬來西亞會計師協會的特許會計師及紐西蘭特許會計師協會的特許會計師，為一名專業會計師，在馬來西亞擁有超過26年的工作經驗。在晉身商界、出任商業諮詢顧問之前，他曾於數家經營製造業、貿易及零售業的外資跨國公司出任財務主管及財務總監一職。

截至二零零九年三月三十一日的前三年期間，梁先生曾任南洋報業的非獨立非執行董事，其後在二零零八年四月三十日辭任，另也曾任及其後於二零零八年十月二十八日辭任於馬來西亞上市的陽光有限公司(股份代號：6165)的獨立非執行董事。他目前是馬來西亞上市的蒲萊泉有限公司(股份代號：5059)的獨立非執行董事。

Mr David YU Hon To

Independent Non-executive Director

British, aged 61, was appointed as an independent non-executive director of the Company on 30 March 1999. He is the Chairman of the Audit Committee, and is a member of the Remuneration Committee and Nomination Committee of the Company. He is also an independent non-executive director of OMG, a subsidiary of the Company publicly listed on the main board of the HK Stock Exchange (stock code: 426) since October 2005. Mr YU is a fellow of the Institute of Chartered Accountants in England and Wales and an associate of the Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance. He is a founder and director of MCL Capital Limited, a Hong Kong-based company engaged in direct investment and financial advisory services.

During the three-year period immediately preceding 31 March 2009, Mr YU had been and subsequently resigned as an independent non-executive director of three companies listed in Hong Kong, namely Shun Cheong Holdings Limited (stock code: 650) (resigned on 23 October 2007), BALtrans Holdings Limited (stock code: 562) (resigned on 21 February 2008) and Cinda International Holdings Limited (formerly known as Hantec Investment Holdings Limited) (stock code: 111) (resigned on 23 December 2008). He currently serves as an independent non-executive director of Great China Holdings Limited (stock code: 141), Playmates Holdings Limited (stock code: 635), TeleEye Holdings Limited (stock code: 8051), VXL Capital Limited (stock code: 727), Haier Electronics Group Co., Limited (stock code: 1169), Hong Kong Energy (Holdings) Limited (stock code: 987) and Synergis Holdings Limited (stock code: 2340), all of which are listed companies in Hong Kong. He also sits on the boards of several private companies in Hong Kong.

俞漢度先生

獨立非執行董事

英國公民，61歲，於一九九九年三月三十日獲委任為本公司獨立非執行董事，同時也是本公司的審核委員會主席，以及薪酬委員會及提名委員會成員。另外，他也是萬華媒體的獨立非執行董事。該公司是本公司附屬公司，自二零零五年十月起於香港聯交所主板上市(股份代號：426)。俞先生為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。他是一間國際會計師事務所的前合夥人，擁有豐富的企業財務相關經驗。他為偉業融資有限公司的創辦人兼董事，該公司專門在香港從事直接投資及財務顧問等活動。

截至二零零九年三月三十一日的前三年期間，俞先生曾任並已辭任三家香港上市公司的獨立非執行董事，包括順昌集團有限公司(股份代號：650，於二零零七年十月二十三日辭任)、保昌控股有限公司(股份代號：562，於二零零八年二月二十一日辭任)及信達國際控股有限公司(前稱亨達國際控股有限公司)(股份代號：111，於二零零八年十二月二十三日辭任)。他目前是大中華集團有限公司(股份代號：141)、彩星集團有限公司(股份代號：635)、千里眼控股有限公司(股份代號：8051)、卓越金融有限公司(股份代號：727)、海爾電器集團有限公司(股份代號：1169)、香港新能源(控股)有限公司(股份代號：987)及新昌管理集團有限公司(股份代號：2340)的獨立非執行董事，該等公司均為香港上市公司。他同時也出任香港多家私人公司之董事。

Mr Victor YANG

Independent Non-executive Director

Canadian, aged 63, was appointed as an independent non-executive director of the Company on 23 September 2004. He is the Chairman of the Nomination Committee, and is a member of the Audit Committee and Remuneration Committee of the Company. Mr YANG is a partner in Boughton Peterson Yang Anderson, Solicitors, Hong Kong SAR and is also a qualified lawyer in Canada and the United Kingdom. He has extensive experience in the areas of corporate finance, commercial law, mergers, acquisitions and taxation.

During the three-year period immediately preceding 31 March 2009, Mr YANG had been and subsequently resigned as an independent non-executive director of Eupa International Corporation (resigned on 30 April 2008), a company quoted on NASDAQ. He is also a non-executive director of Lei Shing Hong Limited (stock code: 238) which was withdrawn from listing in Hong Kong on 17 March 2008. He is currently an independent non-executive director of China Agri-Industries Holdings Limited (stock code: 606), Playmates Toys Limited (stock code: 869) and Singamas Container Holdings Limited (stock code: 716), all of which are listed companies in Hong Kong.

楊岳明先生

獨立非執行董事

加拿大公民，63歲，於二零零四年九月二十三日獲委任為本公司獨立非執行董事，同時也是本公司的提名委員會主席，以及審核委員會及薪酬委員會成員。楊岳明先生現為香港特別行政區寶德楊律師行之合夥人，也是加拿大及英國的認可律師。他在企業財務、商業法、合併、收購及稅法等範疇經驗豐富。

截至二零零九年三月三十一日的前三年期間，楊先生曾任納斯達克上市公司Eupa International Corporation的獨立非執行董事，其後於二零零八年四月三十日辭任。他也是利星行有限公司(股份代號：238)非執行董事，該公司於二零零八年三月十七日撤回其香港上市地位。他目前是中國糧油控股有限公司(股份代號：606)、彩星玩具有限公司(股份代號：869)及勝獅貨櫃企業有限公司(股份代號：716)的獨立非執行董事，該等公司均為香港上市公司。

Tan Sri Dato' LAU Yin Pin

Independent Non-executive Director

Malaysian, aged 60, was appointed as an independent non-executive director of the Company on 14 April 2008. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Tan Sri Dato' LAU obtained his Diploma in Commerce with distinction from Tunku Abdul Rahman College, Malaysia in 1974. He has been a member of the Malaysian Institute of Accountants since 1979. He was made a fellow of the Chartered Association of Certified Accountants, United Kingdom in 1981 and became a graduate member of the Institute of Chartered Secretaries and Administrators, United Kingdom in 1987. He was the Chairman of the board of Matang Holdings Berhad (from January 2000 to June 2004), Chairman of Koperasi Serbaguna Malaysia Berhad (from August 1997 to June 2004). He was appointed as Senator of Dewan Negara for a three-year term commencing 25 November 2002 by Seri Paduka Baginda Yang diPertuan Agong, Malaysia until his voluntary resignation in March 2004.

During the three-year period immediately preceding 31 March 2009, Tan Sri Dato' LAU had been and subsequently resigned as an independent non-executive director of Nanyang effective from 30 April 2008. He had also resigned as the Chairman of Star Publications (Malaysia) Berhad (stock code: 6084) effective from 25 February 2009. Tan Sri Dato' LAU is currently a director of two listed companies in Malaysia, namely Tenaga Nasional Berhad (stock code: 5347) and YTL Power International Berhad (stock code: 6742) and is also the Chairman of the Institute of Strategic Analysis and Policy Research.

丹斯里拿督劉衍明

獨立非執行董事

馬來西亞公民，60歲，於二零零八年四月十四日獲委任為本公司獨立非執行董事，同時也是本公司之薪酬委員會主席，以及審核委員會及提名委員會成員。丹斯里拿督劉衍明在一九七四年考獲馬來西亞拉曼學院商業文憑(特優)。他自一九七九年成為馬來西亞會計師協會會員；在一九八一年成為英國特許公認會計師公會的資深會員；在一九八七年成為英國特許秘書及行政人員公會畢業會員。他曾是馬登控股有限公司董事會主席(二零零零年一月至二零零四年六月)及馬化合作社主席(一九九七年八月至二零零四年六月)。他獲國家元首委任為上議員，任期從二零零二年十一月二十五日開始為期三年，直到二零零四年三月自願辭任。

截至二零零九年三月三十一日的前三年期間，丹斯里拿督劉衍明曾任南洋報業獨立非執行董事，其後於二零零八年四月三十日辭任，亦曾任星報(馬來西亞)有限公司(股份代號：6084)主席，其後於二零零九年二月二十五日辭任。他目前是兩家馬來西亞上市公司的董事，分別是國家能源有限公司(股份代號：5347)及楊忠禮電力國際有限公司(股份代號：6742)，也是策略分析與政策研究院的主席。

Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

Independent Non-executive Director

Malaysian, aged 66, was appointed as an independent non-executive director of the Company on 20 March 2008. He is a member of the Audit Committee of the Company. He graduated from the Chartered Institute of Business Administration, Ireland. He was the Political Secretary to the Chief Minister of Sarawak, Malaysia from 1967 to 1970; a member of Council Negeri Sarawak, Malaysia from 1970 to 1974; the Political Secretary to Federal Minister for Sarawak Affairs; the Political Secretary to the Deputy Prime Minister and Prime Minister from 1974 to 1981; and Senator from 1981 to 1987. He was conferred the title of Datuk, Darjah Bintang Kenyalang Sarawak (PGBK) on 16 September 1988. He was also conferred the title of Temenggong for Kapit Division by the State Government of Sarawak, Malaysia in 2003 in recognition of his contribution to the community.

During the three-year period immediately preceding 31 March 2009, he had been and subsequently resigned as an independent non-executive director of Sin Chew effective from 2 May 2008. He serves as an independent director of Subur Tiasa Holdings Berhad (stock code: 6904) which is a listed company in Malaysia, and holds directorships in several private limited companies in Malaysia.

天猛公拿督肯勒甘雅安納天猛公柯

獨立非執行董事

馬來西亞公民，66歲，於二零零八年三月二十日獲委任為本公司之獨立非執行董事，同時也是本公司之審核委員會成員。他畢業於愛爾蘭商業管理學院。他於一九六七年至一九七零年間出任馬來西亞砂拉越首席部長政治秘書；一九七零年至一九七四年，獲選為馬來西亞砂州議員；一九七四年至一九八一年，任沙勞越聯邦政府秘書(Political Secretary to Federal Minister for Sarawak Affairs)以及副首相及首相政治秘書；一九八一年至一九八七年，被委任為上議員。他於一九八八年九月十六日獲頒授Darjah Bintang Kenyalang Sarawak (PGBK)拿督勛銜。為了表揚他對伊班族之貢獻，砂拉越政府於二零零三年亦委任他為加帛省天猛公，即伊班族之最高領袖。

截至二零零九年三月三十一日的前三年期間，他曾任星洲媒體的獨立非執行董事，其後於二零零八年五月二日辭任。他是常豐控股有限公司(馬來西亞上市公司，股份代號：6904)的獨立董事，亦擔任馬來西亞多家私人有限公司的董事。

Notes:

Conflict of interest

Save for Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King, who are related parties in some related party transactions with the Group, the details of which are set out in the circular dated 28 July 2009 and on pages 48 to 52 of this Annual Report, none of the other directors has any conflict of interest with the Company.

Conviction of offences

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

Family relationship

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

Record of attendance of directors for board meetings during the financial year ended 31 March 2009 is set out on page 38.

附註：

利益衝突

除丹斯里拿督張曉卿爵士及拿督斯里張翼卿醫生(為本集團若干關連方交易中之有關連方，有關詳情載於二零零九年七月二十八日刊發之通函及年報第48至52頁)外，概無其他董事與本公司有任何利益衝突。

犯罪紀錄

除交通違規外，概無任何董事於過去十年內有任何犯罪紀錄。

家族成員關係

除所披露者外，概無其他董事與本公司任何董事及／或主要股東的任何家族成員有任何關係。

董事於截至二零零九年三月三十一日止財政年度之董事會會議出席記錄載於第38頁。

Dato' LIEW Chen Chuan, Malaysian, aged 71, was appointed as the executive director of Sin Chew on 1 April 1991, and was re-designated as managing director effective from 1 September 2004. He serves as the Chairman of the Executive Committee of Sin Chew and is the Senior Advisor to the Group Executive Chairman of the Company. He joined Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad (former publisher of *Sin Chew Daily*) in 1961 as a reporter, and was made Editor-In-Chief in 1981. He is currently the member of Advisory Council of the Malaysian National News Agency (BERNAMA) and the Advisor to the World Chinese Media Research Centre of Beijing University. He sits on the board of Yayasan Sin Chew as a trustee and holds directorships in several private limited companies.

拿督劉鑑銓，馬來西亞公民，71歲，自一九九一年四月一日起任星洲媒體執行董事，於二零零四年九月一日升任董事經理。同時，他也是星洲媒體行政委員會主席，兼任本公司集團執行主席的資深顧問。他於一九六一年加入星系報業(馬來西亞)私人有限公司(*《星洲日報》*前出版人)為記者，於一九八一年升任為總編輯。他是馬新社諮詢理事會理事，以及北京大學世界華文媒體研究中心的顧問。他是星洲日報基金會信託人，以及數家私人有限公司的董事。

Mr ONG See Boon, Malaysian, aged 58, joined the Group in 1997. He is now a member of the Group Executive Committee and Hong Kong Executive Committee and is the Hong Kong Group Editorial Director and Special Assistant to the Group Executive Chairman. He also holds directorships in various subsidiaries of the Company. Mr ONG, who started his career as a journalist in Sin Chew, has over 33 years of experience in the newspaper industry in Hong Kong and Malaysia. Before joining the Company, he held various key positions and directorships in the Rimbunan Hijau Group of companies in Mainland China.

翁昌文先生，馬來西亞公民，58歲，於一九九七年加入本集團，目前為本公司之集團行政委員會及香港行政委員會成員，同時也是香港集團編務總監，以及集團執行主席的特別助理。他也出任本公司多家附屬公司的董事。翁昌文先生於事業發展初期已於星洲媒體從事新聞工作，在香港及馬來西亞報界累積經驗逾33年。於加入本公司之前，他曾為常青集團於中國大陸的公司擔任多個重要職位及董事。

Mr NG Chek Yong, Malaysian, aged 52, joined the Group in 1988. He is an executive director of Sin Chew, and is a member of the Malaysian Executive Committee. He is also a director and the Chief Executive Officer of Mulu Press Sdn Bhd, a wholly-owned subsidiary of Sin Chew, and the Regional Editor of East Malaysia for *Sin Chew Daily*. He began his career as a reporter/feature writer with *See Hua Daily News* in 1979. In 1988, he joined *TO-DAY News Sabah* as the Chief Reporter. He then took up the position of a reporter in Sin Chew. From 1980 to 1988, he was the Secretary-General and Chairman of Sarawak Constellation Poetical Society. Moreover, he was the President of Federation of Sarawak Journalists Association as well as the President of Kuching Division Journalists Association in Malaysia from 1990 to 1991.

黃澤榮先生，馬來西亞公民，52歲，於一九八八年加入本集團。他是星洲媒體的執行董事及本公司馬來西亞行政委員會成員，同時也是星洲媒體全資附屬公司姆祿報業私人有限公司的董事兼行政總裁，以及*《星洲日報》*馬來西亞東部之地區編輯。他於一九七九年加入*《詩華日報》*當記者／專題作家，於一九八八年加入*《沙巴今日新聞》*擔任首席記者，然後加入星洲媒體當記者。於一九八零年至一九八八年期間，他出任砂拉越詩藝協會秘書長兼主席。此外，他也於一九九零年至一九九一年期間出任馬來西亞砂拉越新聞從業員聯合協會會長及古晉分會會長。

Mr NG Kait Leong, Malaysian, aged 57, joined the Group in 2007. He is an executive director of Nanyang, and is a member of the Malaysian Executive Committee. He graduated from London College of Printing, London, United Kingdom and later obtained an Advance Certificate in Graphic Reproduction from City & Guilds of London Institute, United Kingdom. He was the Production Manager of Nanyang from 1974 to 1983, was promoted to the position of Senior Production Manager in 1983 and became the General Manager (Production) from 1986 to 1989. He joined Sin Chew as Technical and Project Consultant in 1990, joined MAN Roland Asia Pacific as Regional Technical Director in 1993 and re-joined Sin Chew as Group Technical & Project Consultant from 2002 to 2006.

伍吉隆先生，馬來西亞公民，57歲，於二零零七年加入本集團。他是南洋報業的執行董事，也是馬來西亞行政委員會成員。他畢業於英國倫敦印刷學院，其後獲英國城市專業學會頒發圖像複製高級證書。他於一九七四年至一九八三年期間，任職南洋報業生產經理，並於一九八三年擢升為高級生產經理，及後於一九八六年至一九八九年期間出任生產部總經理。他於一九九零年加入星洲媒體擔任技術及項目顧問，於一九九三年轉投曼羅蘭亞太出任地區技術董事，及後於二零零二年至二零零六年期間重返星洲媒體出任集團技術及項目顧問。

Mr CHEUNG Kin Bor, Chinese, aged 54, joined the Group in 1986. He is the Chief Editor of *Ming Pao Daily News*. He is also a member of the Hong Kong Executive Committee and a director of Ming Pao Newspapers Limited and Mingpao.com Limited. Mr CHEUNG graduated from the Chinese University of Hong Kong with a Bachelor of Business Administration Degree and has over 31 years of publishing and editorial experience in Hong Kong. Before joining the Group, he had worked with *Hong Kong Economic Journal Monthly* and *Hong Kong Economic Journal*. He was the Chairperson of the Hong Kong News Executives Association in 2000.

張健波先生，中國公民，54歲，於一九八六年加入本集團。他為*《明報》*總編輯，同時也是香港行政委員會成員、明報報業有限公司及明報網站有限公司的董事。張先生畢業於香港中文大學，持有工商管理學士學位，在香港擁有超過31年的出版及編輯經驗。他於加入本集團前，曾在*《信報財經月刊》*及*《信報》*工作。在二零零零年，他出任香港新聞行政人員協會主席一職。

Mr Keith KAM Woon Ting, Chinese, aged 52, joined the Group in 1995. He is the Chief Operating Officer of Ming Pao Holdings Limited and Mingpao.com Limited. He is also a member of the Hong Kong Executive Committee. Mr KAM has been in the media and newspaper industry since 1976. Prior to joining the Group, he had held various positions in advertising and marketing firms as well as a newspaper publishing company, namely, Express News Limited. Mr KAM has extensive managerial experience in publishing, advertising and distribution of newspapers and media products. Mr KAM is currently the Chairman of The Newspapers Society of Hong Kong and a committee member of The Chinese Language Press Institute.

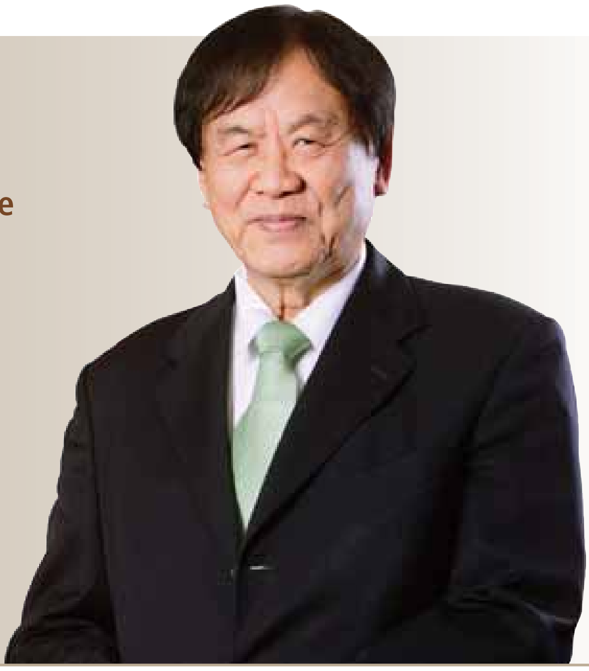
甘煥騰先生，中國公民，52歲，於一九九五年加入本集團。他為明報集團有限公司及明報網站有限公司之營運總裁，同時也是香港行政委員會成員。甘先生自一九七六年起已從事傳媒及報業。加入本集團前，他曾在多家廣告及市場推廣公司擔任多個職位，並在一家報章出版公司快報有限公司任職。甘先生於報章及傳媒產品之出版、廣告及發行方面擁有豐富管理經驗。甘先生現為香港報業公會主席，同時也是世界中文報業協會的委員會成員。

Mr LAM Pak Cheong, Chinese, aged 40, joined the Group in 2000. He is the Financial Advisor to the Group Chief Executive Officer. He is also a member of the Hong Kong Executive Committee and the Chief Financial Officer and the Company Secretary of OMG. Mr LAM has extensive experience in financial management, mergers and acquisitions, corporate finance, corporate development, fund raising and investor relations. He is an associate of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Mr LAM obtained a Master of Business Administration in Financial Services jointly from the University of Manchester and the University of Wales, Bangor in the United Kingdom and a Master of Corporate Governance from the Hong Kong Polytechnic University.

林栢昌先生，中國公民，40歲，於二零零零年加入本集團，為集團行政總裁之財務顧問，同時也是香港行政委員會成員以及萬華媒體的財務總裁及公司秘書。林先生在財務管理、收購合併、企業融資、企業發展、財務融資及投資者關係方面擁有豐富經驗。他是香港特許秘書公會以及英國特許秘書及行政人員公會會員。林先生獲英國曼徹斯特大學及威爾斯大學(班戈)聯合頒授財務服務學工商管理碩士學位，以及香港理工大學頒授之公司企業管治碩士學位。

"The goal of the Group remains to deliver excellent contents across various media platforms, a process that we believe will enhance shareholders' value."

「一如以往，本集團以不同媒體平台傳遞優質資訊為宗旨，我們深信從而可提升股東價值。」



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

Dear Shareholders,

I am pleased to present the annual results of Media Chinese International Limited and its subsidiaries (the "Group") for the year ended 31 March 2009.

FINANCIAL RESULTS

This has been an exceptionally difficult year for the Group. We had seen continued growth in the first half of the year; however, as we entered the third quarter, business started to decline due to the financial crisis and the situation exacerbated in the last few months of the financial year. The Group's performance was impacted by the global economic downturn as advertisers reduced their budgets amidst dampened consumer spending and tour revenue was also adversely affected.

The Group's turnover rose by 20% year-on-year to US$394.3 million. This increase in revenue was mainly due to the effect of a full-year contribution from Nanyang as well as a slight increase in revenue from the Group's publishing business in Malaysia, despite the decline in tour income and revenue from its publishing business in other regions.

各位股東：

本人欣然提呈世界華文媒體有限公司及其附屬公司(「本集團」)截至二零零九年三月三十一日止年度之年度業績。

財務業績

本年度對本集團而言乃甚為艱難的一年。本集團於本年度上半年持續增長，然而，踏入第三季度，金融危機爆發，促使業務開始衰退，此情況更於財政年度最後數個月不斷惡化。環球經濟低迷，導致消費意慾減退，廣告商因而削減預算，令本集團表現受到影響，旅行業務收入亦遭受到打擊。

儘管旅遊業務收入及本集團於其他地區之出版業務收入減少，本集團營業額按年增長20%至394.3百萬美元，此乃由於計入南洋報業之全年業績，及本集團於馬來西亞之出版業務收入錄得輕微增長所致。

The benefit of higher revenue was not fully translated into profit before income tax. The Group's profit before income tax for the year fell 29% to US$31.0 million. This was mainly due to the decline in advertising revenue of the Group's major titles which normally carry higher margins, high newsprint price and a one-off impairment loss on intangible assets of US$3.9 million.

With the exclusion of the negative goodwill amounting to US$13.1 million from last year, the Group's profit before income tax for the current year is comparable with that of the previous year.

The weakening of the Ringgit Malaysia and the Canadian dollar against the US dollar also had a considerable negative impact on the Group's results for the year under review. The Group's turnover and profit before income tax for the year improved by approximately 2% and 4% respectively in constant currency terms.

Basic earnings per share for the year was US1.0 cent, representing a decrease of 52% as compared with last year.

As at 31 March 2009, the Group's net assets stood at US$288.0 million, which was 13% lower than the preceding year's US$329.2 million. Approximately US$34 million of the decrease was attributed to the currency effect.

DIVIDEND

A first interim dividend of US0.450 cent per share was paid on 22 January 2009. The Board of Directors has declared a second interim dividend, in lieu of final dividend, of US0.143 cent per share to be paid on 13 August 2009.

收入增加並無完全轉化為除所得稅前溢利。本集團本年度之除所得稅前溢利減少29%至31.0百萬美元，主要由於本集團一般利潤較高之主要刊物的廣告收入下降、白報紙價格高企及一次性無形資產減值虧損3.9百萬美元所致。

若扣除去年負商譽13.1百萬美元，本集團於本年度之除所得稅前溢利與去年相約。

馬來西亞令吉及加拿大元兑美元匯率疲弱，亦為本集團的回顧年度業績帶來相當程度的負面影響。倘匯率不變，本集團於本年度之營業額及除所得稅前溢利分別增加約2%及4%。

本年度每股基本盈利較去年下跌52%至1.0美仙。

於二零零九年三月三十一日，本集團資產淨值為288.0百萬美元，較去年329.2百萬美元減少13%，減幅中約34百萬美元乃源自貨幣匯率之影響。

股息

第一次中期股息每股0.450美仙已於二零零九年一月二十二日派付。董事會宣布於二零零九年八月十三日派發第二次中期股息每股0.143美仙，以代替末期股息。

CHALLENGES FOR THE YEAR AHEAD

The financial year of 2008-2009 was a year of immense changes and challenges.

A financial crisis of unprecedented scale with domino effects spread through the entire world, sending the US, Europe and many countries into recessions. Enterprises and corporations that were once regarded as too big to fail collapsed, forcing them to line up and seek financial assistance from their governments.

Heads of governments from the Group of Twenty who gathered in London in April this year reached an agreement on a package of stimulus and relief measures that called for unprecedented international co-operation to stabilise markets and economies around the world. This consensus had gone a long way to prevent another round of global financial crisis from emerging.

The Chinese government announced a RMB4 trillion stimulus package targeting domestic consumption shortly after the outbreak of the Lehman Brothers crisis. China is one of the few countries that was still able to deliver positive economic growth in 2008. Premier Wen Jiabao's pledge in March this year to accomplish an 8% growth in China's GDP in 2009 made significant headway in strengthening confidence in many countries and government leaders around the world.

Like many media companies in different corners around the world, the Group experienced shocks and pains from the sudden economic downturn, which caused advertising revenues from financial institutions and real estate companies to evaporate. Advertising spending in the consumer sector was substantially reduced, the impact of which was especially felt in the Group's operations in Greater China and North America.

The Group's operations in Malaysia fared better as the impact of the global recession was not felt until the first calendar quarter of the year 2009. The total media advertising expenditure ("Adex") in the Malaysia media industry experienced a 13% increase to RM6.16 billion during the year ended 31 December 2008, however, for the first quarter from January 2009 to March 2009, the Adex dropped by 4% year-on-year from RM1.37 billion to RM1.32 billion. As effects of a downturn kicked in, the Malaysian government announced on 10 March 2009 a RM60 billion stimulus package, which will be implemented over the 2009-2010 period.

來年之挑戰

二零零八至二零零九財政年度為既面臨重大轉變，亦充滿嚴峻挑戰的一年。

金融危機涉及範圍之廣，前所未有，加上骨牌效應席捲全球，令美國、歐洲以至眾多國家陷入衰退困境。曾一度被認為實力雄厚之企業及法團相繼倒閉，逼使彼等聯成一線，向所屬政府尋求財務協助。

於今年四月，來自二十個國家之元首在倫敦展開會議，就一籃子刺激及舒緩措施訂立協議，旨在促進空前國際性合作，以穩定全球市場及經濟。此共識更觸及長遠對策，以避免爆發另一輪環球金融危機。

中國政府於雷曼兄弟危機爆發後迅即宣布一項4萬億人民幣的刺激經濟措施，旨在刺激本土消費。中國為數個於二零零八年仍錄得經濟正增長的國家之一。總理溫家寶於今年三月作出保證，指中國國內生產總值增長率在二零零九年可達致8%，為各國及政府領導人注下強心針。

一如世界各地眾多媒體公司，由於突如其來之經濟衰退導致來自金融機構及房地產公司之廣告收入驟減，本集團因而受到嚴重衝擊，蒙受損失。消費行業之廣告開支亦大幅下滑，其對本集團於大中華區及北美業務之影響尤其顯著。

本集團於馬來西亞之業務情況較好，全球衰退之影響直至二零零九年第一個季度方始出現。截至二零零八年十二月三十一日止年度，馬來西亞媒體市場之媒體廣告支出總額(「廣告支出」)錄得增加13%至61.6億馬幣，然而，於二零零九年一月至二零零九年三月止之第一季度，廣告支出由13.7億馬幣按年減少4%至13.2億馬幣。由於經濟低迷之影響浮現，馬來西亞政府遂於二零零九年三月十日宣布一項600億馬幣的刺激經濟措施，將於二零零九至二零一零年期間推行。

FUTURE PLANS AND STRATEGIES

The severe economic downturn has been disruptive for all of the Group's businesses. It presented unprecedented challenges to our Group's publishing business. At the same time, we are dealing with rapid changes in our publishing business brought about by advertisers shifting into new multimedia channels.

In response to these challenges, we have taken aggressive strategic, operational and financial steps to strengthen and transform the Group.

The goal of the Group remains to deliver excellent contents across various media platforms, a process that we believe will enhance shareholders' value. We strive to effectively leverage our contents to reach more people in more ways and to provide effective distribution channels for our advertisers to their target customers.

We shall continue to speed up our transformation into a new media company for the digital world. This is our focus for expansion in the future.

While traditional print media advertisement is falling due to intense competition from other media channels, online advertisement is experiencing a healthy growth in many countries. This trend will continue because more and more people are getting accustomed to receiving information via digital channels and devices.

In this era that sees flourishing communication via third- and fourth-generation mobile technologies, digital media is the future. We must embrace this technological change and business opportunity, and translate them into better returns for our shareholders. In this connection, we shall invest and grow our multimedia business by offering a wide array of online products and services.

We have been and will continue to be very disciplined in controlling our costs and increase operational efficiency while maintaining and consistently improving our quality of journalism.

未來計劃及策略

經濟嚴重衰退窒礙本集團所有業務發展。本集團出版業務不單面對前所未有之挑戰，同時更要應付廣告商轉用新傳播媒介帶來之急劇轉變。

為克服此等挑戰，我們採用進取之策略、營運及財政措施，務求加強本集團實力及將其轉型。

一如以往，本集團以不同媒體平台傳遞優質資訊為宗旨，我們深信從而可提升股東價值。本集團致力將豐富的資訊透過更多渠道有效地發放，並為廣告商提供更高效途徑，將訊息傳達目標客戶。

為迎合數碼世界的發展，本集團將繼續加快轉型為新傳媒公司之步伐，而此乃本集團日後擴展的方針。

正當傳統印刷媒體廣告因其他傳播媒介之激烈競爭而逐漸息微，世界各地網上廣告則正在穩步增長。隨著普羅大眾越趨習慣透過數碼渠道及裝置接收資訊，此趨勢定將持續。

在此世代，第三及第四代流動技術令通訊無遠弗屆，數碼媒體更是未來之發展方向。本集團必須利用此科技變革及業務商機，為股東締造更豐碩的回報。就此方面，本集團將透過提供各式各樣互聯網產品及服務，以投資及發展集團旗下的多媒體業務。

本集團將繼續嚴格控制成本及提高營運效率，同時維持及不斷改善新聞質素。

The Group is committed to continuously assessing and streamlining its work flows to enhance efficiency throughout its businesses. This initiative is particularly relevant in the current weak economic environment. In addition, business units that are not profitable would be closely monitored.

At times when the economic environment poses challenges on us, we should be more vigilant in identifying new revenue streams. Newspapers and magazines should not be confined to sell traditional advertising spaces to earn their bread and butter. In view of this, we shall focus on multi-media business and exploit ways to derive revenues from our current and archival contents and subscriber bases.

PROSPECTS

It is anticipated that the next financial year will be a very challenging one given the current global economic downturn which is likely to continue throughout the year 2009. Adding to this, the outbreak of H1N1 Influenza has put further strain on the economic condition. The flu pandemic may have a negative impact on the trade and investment across the globe and slowdown the economic recovery. Nevertheless, we will take on the challenges seriously and implement measures to mitigate the negative effects on the Group's global businesses.

APPRECIATION

I would like to thank the management and staff of the Group for performing their tasks with zeal, vision and dedication. I would also like to sincerely thank our readers, advertisers, customers, suppliers and shareholders for their continuous support. When the whole Group works together in a concerted effort, we will be able to overcome all difficulties.

Tan Sri Datuk Sir TIONG Hiew King
Group Executive Chairman
25 June 2009

本集團並致力不斷評估及精簡工作流程，以提高整體業務效率。此措施在目前疲弱的經濟環境尤其重要。此外，本集團將密切監察盈利欠佳之業務。

現今經濟環境為本集團帶來重重挑戰，在此等艱巨時刻，本集團務必更積極開拓新收入來源。報章及雜誌不應局限於銷售傳統廣告位以賺取收入，基於此因素，本集團將集中發展多媒體業務，探索各種方法，冀能從現時及昔日之新聞內容及訂戶資料庫中獲益。

展望

鑑於全球經濟衰退勢必延續至二零零九年，預期下一個財政年度將舉步維艱。再者，H1N1流感疫症爆發，加深經濟壓力。此流感疫症或會對環球貿易及投資造成打擊，同時拖慢經濟復蘇步伐，然而，本集團將以嚴正態度應付此等挑戰，並實施多項措拖，以減輕對本集團全球業務之負面影響。

致謝

本人謹此感謝本集團管理層及員工的熱誠投入、真知灼見及悉心努力。本人亦感謝讀者、廣告商、客戶、供應商及股東的鼎力支持。只要本集團上下一心，共同努力，必定能克服種種困難。

丹斯里拿督張曉卿爵士
集團執行主席
二零零九年六月二十五日

FINANCIAL HIGHLIGHTS

(in US$'000)	For the year ended 31 March 2009	2008	Change
Turnover	394,303	328,260	+20%
Gross profit	131,017	116,089	+13%
Negative goodwill arising on the acquisition of Nanyang	–	13,094	-100%
Operating profit	32,326	44,471	-27%
Profit before income tax	31,035	43,761	-29%
Profit for the year	17,355	31,952	-46%
Minority interests	565	12,764	-96%
Profit attributable to equity holders of the Company	16,790	19,188	-13%
Basic earnings per share (US cents)	1.00	2.10	-52%
Total assets	373,406	441,396	-15%

OVERALL REVIEW OF OPERATIONS

For the year ended 31 March 2009, the Group recorded a turnover of US$394,303,000, an increase of 20% or US$66,043,000 from last year's US$328,260,000. The improvement was due to a full year contribution from Nanyang and a slight revenue growth from the Group's publishing business in Malaysia.

The Group's profit before income tax for the year decreased by 29% to US$31,035,000 resulting from the decline in advertising income of the Group's major titles, increased paper costs and the inclusion in last year's profit of a one-off negative goodwill of US$13,094,000 recognised upon the acquisition of Nanyang.

The Group's results for the year were affected by the depreciation of the Ringgit Malaysia and the Canadian dollar against the US dollar. Excluding the currency effect, the Group's turnover and results for the year would have increased by US$6,300,000 and US$1,200,000 respectively.

Basic earnings per share for the year was US1.0 cent, a decrease of 52% from the previous year.

As at 31 March 2009, the Group's net assets stood at US$288,007,000, while total assets amounted to US$373,406,000, both of which have been reduced by approximately US$34 million due to the currency effect.

DIVIDEND

The Board has declared a second interim dividend, in lieu of final dividend, of US0.143 cents per share payable on 13 August 2009 which, together with the first interim dividend of US0.450 cents per share paid on 22 January 2009, represent a total dividend of US0.593 cents per share for the financial year ended 31 March 2009.

SEGMENTAL REVIEW

Malaysia and Southeast Asia

The Malaysian and Southeast Asian operations traded satisfactorily amidst a global market that has been experiencing adverse economic pressures and advertising volatility.

Revenue at US$234,338,000 was up 59% for the year ended 31 March 2009 resulting mainly from a full year contribution from Nanyang and a slight revenue growth across this segment.

The segment results of Malaysian and Southeast Asian operations increased by 26% when compared to last financial year. This improvement was driven by the inclusion of Nanyang's results, a moderate revenue growth in Sin Chew, and on-going focus on costs management.

In Malaysia, the Group publishes *Sin Chew Daily, China Press, Guang Ming Daily, Nanyang Siang Pau* and 19 magazine titles. The Malaysian publications commanded approximately 93% of the total readership for Chinese daily newspapers in Malaysia (NMR Media Index Q4/2008).

This year, *Sin Chew Daily* will commemorate its 80th year of operations. *Sin Chew Daily* has been a symbol for integrity and fair comment. It is well acclaimed for its efforts to uphold the principle of editorial independence. This principle has made the paper the clear number one quality daily Chinese newspaper in the local market, commanding 42% of the Chinese newspapers readership in Malaysia (NMR Media Index Q4/08). In addition, it has 383,775 circulation copies as stated in the Audit Bureau of Circulation ("ABC") report during the period from July 2007 to June 2008. Its high quality journalism has led to one of its renowned journalists winning the coveted award of Best Commentary Award of Petronas Malaysia And Malaysia Press Institute Journalism Awards 2008 jointly organised by the Malaysia Press Institute and Petroliam Nasional Berhad. Despite being a market leader, *Sin Chew Daily* believes in continuously reviewing itself, hence in February 2009, it revamped part of its contents and layout design. Responses from readers and advertisers were positive.

China Press, the second most popular daily in Malaysia, has 240,798 circulation copies (ABC report from July 2007 to June 2008). This was an increase of 4% if compared to the same period in the previous year. As the most read and best-selling Chinese evening newspaper in Malaysia, it commanded approximately 30% of the Chinese newspaper readership in Malaysia according to the Nielsen readership report for the fourth quarter of 2008. The excellent performance was driven by rich sports coverage and timely front pages breaking news stories.

Guang Ming Daily continued to outperform the competition and remained the largest Chinese newspaper in the northern region of Peninsula Malaysia with 130,564 circulation copies (ABC report from July 2007 to June 2008). It consolidated its position as Malaysia's third largest selling Chinese newspaper. This daily is well-known for delivering headlines news in a totally different angle and reader-friendly perspective. During the Sichuan earthquake, it was one of the first few foreign newspapers with a journalist on site.

Nanyang Siang Pau has positioned itself as a premier newspaper with strong focus in business reporting. Early this year, the paper was revamped with the purpose of enhancing its image as a leader of reader-friendly business news. Various circulation initiatives were launched to attract the white collar and high networth readers. It also remained as a newspaper popular with the Chinese business community.

In the magazine segment, Life Publishers maintained its position as the largest Chinese language magazine publisher in Malaysia, with one tabloid newspaper and 16 magazines under its portfolio. Each of the titles in Life Publishers' portfolio, including *Feminine*, *Long Life*, *My Wedding*, *Rod & Line*, *Special Weekly* and *Pancing*, has retained a leading position in their respective markets despite fierce competition. During the year, Life Publishers continued to push into the exhibition sector with successful participation in My Wedding Bridal Fair and International Health Fair. My Wedding Bridal Fair is one of Malaysia's largest consumer exhibitions with steady growth on number of visitors.

The Malaysian operation has leveraged its editorial content into the online arena. Page impressions in 2008 reached an average of 35 million per month across all the Group's Malaysian websites, which include **sinchew-i.com, sinchew.com.my, nanyang.com, guangming.com.my, chinapress.com.my** and an English portal known as **mysinchew.com. sinchew-i.com** is a leading Chinese news website in Malaysia and it has recently tied up with local telecom company and mobile manufacturer to deliver its news via SMS, MMS, 3G, WAP and embedded widget. The Malaysian operation is also beginning to monetise its valuable magazine content through this business model.

Hong Kong and Mainland China

Compared to the situation in Malaysia, the publication businesses in Hong Kong and Mainland China were more severely affected by the global financial crisis. Weakening confidence and consumer sentiment have translated into reductions in advertising expenditures in these markets since as early as the second quarter of the financial year under review.

In light of the difficult operating environment, costs and efficiencies were more aggressively monitored during the year. Headcounts were reduced resulting in lower staff costs, newsprint consumption was also reduced as a result of trimming down the newspaper size.

Ming Pao Daily News continued to earn positive recognition as a leader in quality journalism and a "Credibility First" paper among affluent and well-educated readers. The paper's relationships with advertising clients were strengthened through a series of celebratory events held and promotional advertising offers introduced during the year marking its 50th anniversary. The paper's consistent delivery of high quality content, when coupled with its proven capability in initiating and implementing innovative and customisable packages and solutions, reinforced its recognition as a preferred publication to help advertisers reach their target audiences with messages that shape perceptions and drive purchases.

As the market is looking for cost-effectiveness and measurable result, more advertisers are now integrating the internet as a supplementary channel to traditional media. The Group's portal, **mingpao.com**, has continued to grow in popularity during the year and now has over 900,000 registered active users. To capture the momentum, special sites have been developed or revamped during the year to create a stronger online advertising platform, including a new travel site and the revamped education and office-lady portals. The enhancement provides a refreshed and dynamic platform for regular banner advertising, potential projects and partnership programmes. The Group will continue to ride on its content strength to tap into other markets including the mobile and telecommunication communities in order to broaden its reach in the internet marketing business.

The Group's lifestyle magazine publication unit in the Greater China region, One Media Group ("OMG"), experienced a modest decline in its attributable profit to US$1,465,000 during the year under review (2008: US$1,547,000) as advertising revenue was hit by the economic downturn in its markets. OMG's magazines in Hong Kong recorded a modest improvement in operating results for the year despite a slight decrease in turnover. The Group's operations in Mainland China, on the other hand, registered lower turnover and results year-on-year, mainly due to the intensifying competition in the infotainment/leisure magazine advertising market in Mainland China and the reduction in overall advertising spending as advertisers took a wait-and-see attitude in light of the sustaining impact of the global financial crisis in the country.

Ming Pao Weekly, through a series of events celebrating its 40th anniversary, significantly raised the market's awareness about its position as a long-serving premier celebrity and lifestyle magazine with a well-preserved tradition of clean, accurate and up-to-date reporting. It has continued to capture advertisements from brands in the upper brackets of the consumer market.

The Group's operations in Mainland China, which include the publication of lifestyle magazines operated by OMG and a printing operation, saw a 10% decline in turnover to US$5,987,000 due to intensifying competition within the industry. Operating loss widened to US$2,211,000 from previous year's US$1,793,000.

North America

In February this year, the Group made a significant decision to consolidate its newspaper publishing activities in the United States of America, including the suspension of the Group's publishing operation in San Francisco, into the free paper published in New York, which has maintained a solid growth momentum. This would allow the Group to focus its resources on other more profitable markets.

The two Canadian editions in Vancouver and Toronto continued to be profitable albeit at reduced levels because of the financial crisis. Control measures, including revamping the newspaper layout dimensions and offering discounts during weekdays, have been introduced to cope with the difficult business environment.

Others – travel and travel related services

Revenue from the Group's travel operation, via Charming Holidays and Delta Group, fell considerably to US$54,932,000 from previous year's US$64,256,000. This was due to generally weak demand for long-haul tours, high fuel surcharges levied for most time of the year, and a shortage of flight seats available for resale in light of the increased demand in the advent of the Beijing Olympics in August 2008. This business segment reported a loss of US$176,000 for the year, compared to a profit of US$99,000 in the preceding year. Charming Holidays closed down its operation in Shenzhen in early 2008 but opened a new office in Guangzhou in 2009. It is expected that this new office will be able to capture opportunities from increasing demand of Mainland China citizens for long-haul tours. The Group will continue to review this operation from time to time and take appropriate measures when necessary.

OUTLOOK

The global economic crisis has negatively affected all of the Group's operations and, against this backdrop, the Group anticipates a very challenging year in 2009. In order to minimise the negative impact from the continuing global recession, the Group's key focus will be on cost management and operational efficiency.

The Group has been through many economic cycles and experienced numerous market disruptions, but has faced these challenges successfully. It is hoped that the Group's global diversification, leading market positioning and efficient operations will mitigate the impact from the current difficult economic conditions and position the Group well to benefit from market recovery.

CORPORATE SOCIAL RESPONSIBILITY

It is the Company's belief that it shares a responsibility to contribute back to the communities where it operates. Over the years, the Group has played a major role in connecting the communities, promoting social awareness of critical social issues, reaching out to the less fortunate and promoting the importance of education among the young.

Hong Kong

Providing the next generation with all-round development and enhancing their awareness of key social issues are part of the major priorities of *Ming Pao Daily News* ("Ming Pao"). "Ming Pao Student Reporter Scheme"「明報校園記者計劃」, which has been implemented for twelve years, offers a series of lectures and trainings on basic journalistic skills as well as on-site tours to the student reporters. By stimulating students' independent thinking and improving their analytical skills, the project aims to inspire their thoughts on social issues and provides them with better understanding of the newspaper industry. On national education, Ming Pao continues to co-organise "The 3rd Hong Kong Cup Diplomatic Knowledge Contest"「第三屆香港杯外交知識競賽」this year. The contest enhances students' understanding of the national diplomatic policy of Mainland China and cultivates their sense of belongings to the country.

When it comes to environmental protection, steps have also been taken by Ming Pao to build a greener Hong Kong. Since July 2008, Ming Pao has joined hands with the HKSAR government to support the "Green Hong Kong · Carbon Audit"「綠色香港 · 碳審計」campaign by becoming a "Carbon Audit · Green Partner"「碳審計 · 綠色機構」. Initiated by the Environmental Protection Department of the HKSAR, the campaign aims to maintain a healthy living environment and improves the air quality in Hong Kong. Various measures have been carried out to cut down on greenhouse gas emissions.

The Group also reaches out to those who are in dire need. After the Sichuan 512 Earthquake, Ming Pao published a special supplement *《手牽手 · 共命運「走進四川大地震」》* for charity sale. The entire fund generated from the supplement was donated to the Hong Kong Red Cross for their reconstruction projects to help the survivors to restore their livelihood. This year also marks the sixteenth year in a roll that Ming Pao co-organises the "Guangdong Province Remote Area Education Relief Fund"「廣東省偏遠地區育苗助學計劃」with several educational groups in Hong Kong. During the year, approximately HK$1 million (equivalent to US$129,000) was raised to provide assistance to the development of education in remote and deprived areas in Guangdong Province.

Malaysia

During the year, the Malaysian operations' publications organised various community projects involving a spectrum of events covering sports, education, current social issues, lifestyle, musicals and a host of others which attracted keen interest and support from the readers and the public.

The Malaysian publications have over the years played an important role in raising funds for education purposes. Each year, *Sin Chew Daily* assists many needy students in obtaining scholarships offered by various institutions of higher learning through Sin Chew Education Fund. On the other hand, *Nanyang Siang Pau* and *China Press* have worked together with Carlsberg to organise annual Top Ten Singers Charity concerts throughout the country to raise funds for the development of Chinese primary schools. During the year, approximately RM16.4 million (equivalent to US$4,497,000) was raised in aid of Chinese primary schools.

Promoting social awareness of current social issues amongst the public is one of the primary focuses of the four publications in Malaysia. In view of the rising concern on safety of children, *Sin Chew Daily* has launched a "Safety Campaign" which involves talks, road shows and sketches on road safety and personal safety at selected schools throughout Malaysia. To prevent global warming and to preserve the environment for our future generation, the Sin Chew Group has organised road shows at various schools to educate the young on the importance of protecting our environment.

To promote communication between the public and the government, *China Press* organised a campaign known as "A Date with the Member of Parliament", in an effort to resolve problems faced by the general public. Meanwhile, *Nanyang Siang Pau* organised nationwide road shows known as "A Dialogue between the Businessmen with the Authorities" to establish an interactive platform for the business community with senior officers of the local authorities.

There are two foundations set up by the Malaysian operations namely Yayasan Sin Chew and Yayasan Nanyang. Both foundations focus on raising funds for educational, disaster and welfare programmes for the underprivileged. Amongst others, Yayasan Nanyang has set up four dialysis centres throughout the country while Yayasan Sin Chew has an on-going "Adopt A Child" programme which is run with the generous contributions of certain companies. In addition, Yayasan Sin Chew has visited places such as Myanmar and Sichuan to monitor the progress of the rebuilding, which is funded by donations it has raised during this year.

FINANCIAL GUARANTEES

At 31 March 2009, the Company issued financial guarantees in favour of certain of its subsidiaries totalling US$20,099,000 (2008: US$23,439,000) in connection with general banking facilities granted to those subsidiaries. At 31 March 2009, total facilities utilised amounted to US$4,878,000 (2008: US$5,015,000).

PLEDGE OF ASSETS

The details of the pledge of the Group's assets are set out in note 34 to the consolidated financial statements.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

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

Currency exposure arising from the net assets of the Group's operations, such as those in the Mainland China, Hong Kong, Malaysia, Southeast Asia and North America are managed primarily through operating liabilities denominated in the relevant foreign currencies.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

At 31 March 2009, the Group's net current assets amounted to US$100,979,000 (2008: US$110,781,000) and the shareholders' funds were US$279,818,000 (2008: US$321,276,000). Total bank borrowings and finance lease obligations were US$20,516,000 (2008: US$39,287,000) and the gearing ratio, which is defined as the ratio of total borrowings to shareholders' funds, was 0.073 (2008: 0.122). As at 31 March 2009, total cash and cash equivalents was US$70,205,000 (2008: US$76,559,000) and net cash position was US$49,689,000 (2008: US$37,272,000) after deducting the total borrowings.

CAPITAL STRUCTURE

During the year, the Company repurchased a total of 2,482,000 shares at an aggregate purchase consideration of approximately HK$4,480,000 (equivalent to US$572,000); and 30,000 shares and 60,000 shares were issued at HK$1.592 per share and HK$1.32 per share respectively as a result of the exercise of the Company's share options. Details of the repurchases and issue of shares are set out in note 29 to the consolidated financial statements.

EMPLOYEES AND EMOLUMENT POLICY

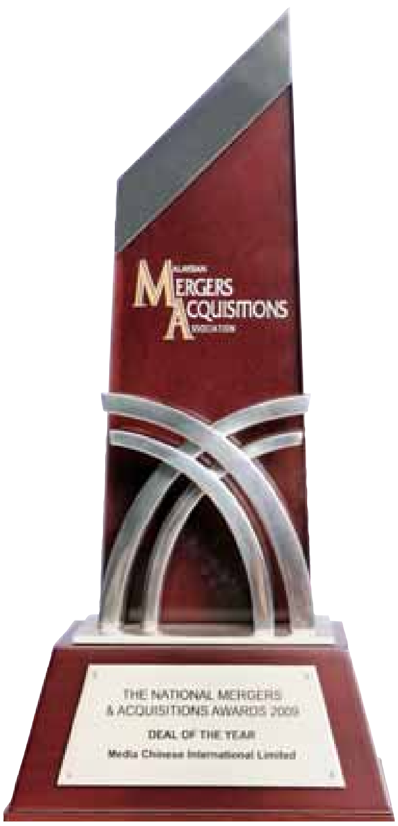
At 31 March 2009, the Group has approximately 4,780 employees (2008: approximately 5,047 employees), the majority of whom are employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director, or any of his associates, and executive is involved in dealing with his own remuneration. The Group has share option schemes as an incentive to directors and eligible employees. Details of the share option schemes are set out on pages 64 to 68 of the Report of the Directors.

Major Awards of the Year (Corporate)

Media Chinese International Group won two awards in the Malaysian National Mergers & Acquisitions Awards 2009

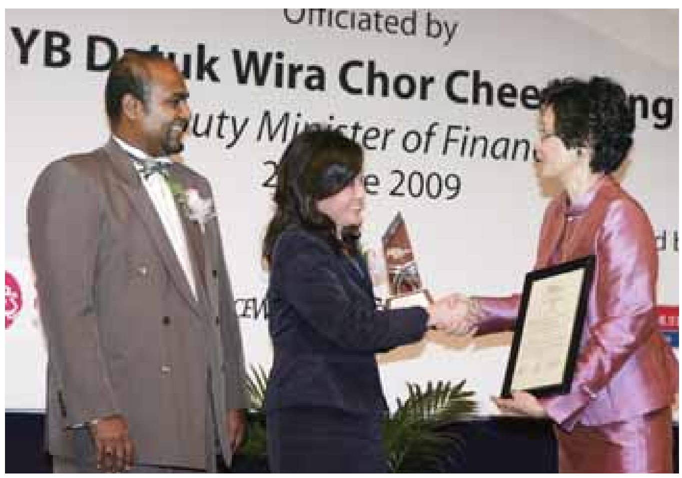
The Management and staff of the Group took a group photo at the presentation ceremony.

The merger among Sin Chew Media Corporation Berhad, Nanyang Press Holdings Berhad and Ming Pao Enterprise Corporation Limited was awarded as the winner of the "**Deal of the Year Award"** and **"Innovative Deal of the Year Award"** in the 3rd National Mergers & Acquisitions Awards 2009 hosted by Malaysian Mergers & Acquisitions Association (MMAA). A record number of 163 nominations were received this year for eight categories.



"Innovative Deal of the Year Award" recognised the structure, negotiation, financing and complicated legal issues involved in the deal and that it is a breakthrough from the usual framework. The Group beat seven other heavyweights in this category.

The reason for being honoured **"Deal of the Year Award"**, on top of **"Innovative Deal of the Year Award",** was that the Group exhibited an expansion in its clientele base, products and infrastructure after the merger. In addition to that, the judges had taken into consideration that the Group handled the promotion of the merger in the media well.



The "Deal of the Year Award" was presented to Ms Rita SIM (right), Executive Director.

Major Awards of the Year (Hong Kong)

HONG KONG NEWS AWARDS 2008
(THE NEWSPAPER SOCIETY OF HONG KONG)

Photographic Section (News)
Winner

Best Scoop
1st Runner-up, 2nd Runner-up

Best Business News Reporting
2nd Runner-up

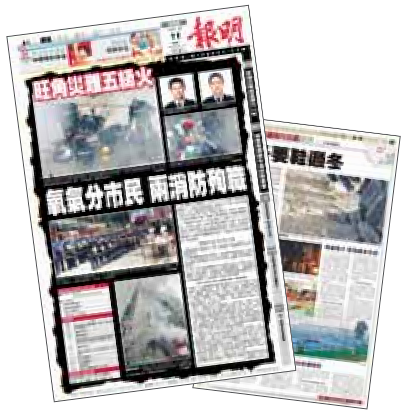
Best News Page Design
Winner

Best News Writing (Chinese)
Winner

Best Headline (Chinese)
1st Runner-up

Best News Reporting
Winner, 2 Merits

Best Young Reporter
Winner



FOCUS AT THE FRONTLINE 2008
(HONG KONG PRESS PHOTOGRAPHERS ASSOCIATION)

Spot News
Winner, 1st Runner-up

General News
2nd Runner-up

Nature & Environment
2nd Runner-up

2008 MERITORIOUS WEBSITE CONTEST
(HONG KONG TELEVISION AND ENTERTAINMENT LICENSING AUTHORITY)

Meritorious Website
mingpao.com

THE 13TH ANNUAL HUMAN RIGHTS PRESS AWARDS 2008
(HONG KONG JOURNALISTS ASSOCIATION, THE FOREIGN CORRESPONDENTS' CLUB, HONG KONG AND AMNESTY INTERNATIONAL HONG KONG)

General News
Merit

Photojournalism
5 Merits

THE 30TH BEST OF NEWSPAPER DESIGN CREATIVE COMPETITION
(THE SOCIETY FOR NEWS DESIGN, USA)

Features Design Sections
Award of Excellence

Magazines Overall Design
Award of Excellence

CONSUMER RIGHTS REPORTING AWARDS 2008
(HONG KONG CONSUMER COUNCIL, HONG KONG JOURNALISTS ASSOCIATION AND HONG KONG PRESS PHOTOGRAPHERS ASSOCIATION)

News
Gold Award, Silver Award, Merit

Press Photo
Silver Award, Merit

Features
Merit

THE SOPA 2009 AWARDS FOR EDITORIAL EXCELLENCE (THE SOCIETY OF PUBLISHERS IN ASIA)

The Scoop Award
Award of Excellence: *Ming Pao Daily News*
Honourable Mention: *Ming Pao Daily News*

Journalist of the Year
Award of Excellence: *Yazhou Zhoukan*

Excellence in Reporting on the Environment
Award of Excellence: *Yazhou Zhoukan*

Excellence in Human Rights Reporting
Honourable Mention: *Yazhou Zhoukan*

Excellence in Reporting Breaking News
Award of Excellence: *Ming Pao Daily News*

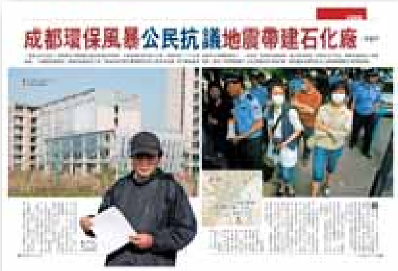
Excellence in Editorial Cartooning
Award of Excellence: *Ming Pao Daily News*

Excellence in News Photography
Honourable Mention: *Ming Pao Daily News*

1. The group photo was taken at the **2009 SOPA Awards for Editorial Excellence** presentation.
2. This photo was honoured an award in both the **2009 SOPA Awards for Editorial Excellence** and the **Hong Kong News Awards 2008**.
3. The article published by *Yazhou Zhoukan* was given an award in the **2009 SOPA Awards for Editorial Excellence**.
4. The group photo was taken at the **Hong Kong News Awards 2008** presentation.

▲ 1.

▲ 2.


成都環保風暴公民抗議地震帶建石化廠

▲ 3.

▼ 4.

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

THE 3RD JOHOR MEDIA AWARDS 2008 (SOUTH JOHOR CHINESE PRESS CLUB)

Tan Liang Soong Best Photography Award
Excellence Prize & Outstanding Prize

Mok Tai Dwan Best Commentary Award
Excellence Prize & Outstanding Prize

Persekutuan Tiong-Hua Johor Bahru Best Features Award
Outstanding Prize

Gabungan Pertubuhan – Pertubuhan Negeri Johor Best News Award
Outstanding Prize

DATUK WONG KEE TAT JOURNALISM AWARDS 2007

Tan Sri Teong Teck Leung Commentary Award
Excellence Prize & 2 Outstanding Prizes

Datuk Wong Kee Tat News Editing Award (News Section)
Excellence Prize & 2 Outstanding Prizes

Dato' Yap Yong Seong Features Writing Award
Excellence Prize & Outstanding Prize

Datuk P.C. Koh Business News Award
Excellence Prize

Datuk Wong Kee Tat News Editing Award (Features Section)
Outstanding Prize

Datuk Seri Joseph Chong Chek Ah Distinguished Media Service Award

MALAYSIA'S 30 MOST VALUABLE BRANDS 2008 (4AS, THE EDGE AND INTERBRAND)

Sin Chew Daily

PENANG TIONG GUAN ASSOCIATION JOURNALISM AWARDS 2008 (PENANG TIONG GUAN ASSOCIATION)

News Reporting Award
Champion & 1st Runner-up

Features Writing Award
1st Runner-up & 2nd Runner-up

Best Photographer Award

THE 2ND CHIEF MINISTER'S SARAWAK ICT MEDIA AWARDS 2008 (SARAWAK INFORMATION SYSTEMS SDN BHD)

News Reporting Award (Chinese)

UPM MEDIA AWARD 2007/08 (UNIVERSITI PUTRA MALAYSIA)

Extensive News Coverage Award (Chinese)

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

KENYALANG SHELL PRESS AWARDS 2008 (SARAWAK STATE GOVERNMENT, SARAWAK SHELL BERHAD AND FEDERATION OF SARAWAK JOURNALISTS ASSOCIATION)

News Reporting Award (Chinese)
1st Prize

Sports Reporting Award (Chinese)
1st Prize

Health News Reporting Award (Chinese)
1st Prize

Environmental Journalism Award (Chinese)
2nd Prize & 3rd Prize

PETRONAS ESSAY COMPETITION 2008 (KUCHING DISTRICT JOURNALISTS ASSOCIATION AND PETRONAS MALAYSIA)

4 Merits

MOST TRUSTED CHINESE NEWSPAPER AWARD (BANK RAKYAT MALAYSIA)

Sin Chew Daily

PETRONAS MALAYSIAN JOURNALISM AWARDS 2008 (MALAYSIA PRESS INSTITUTE AND PETROLIAM NASIONAL BERHAD)

Best Commentary Columnist Award

1. In **Kenyalang Shell Press Awards 2008**, the Health News Reporting Award was given to *Sin Chew Daily*.
2. Mr LIM Sue Goan, Deputy Editor-in-Chief of *Sin Chew Daily*, won the Best Commentary Columnist Award in the **Petronas Malaysian Journalism Awards 2008**.
3. *Sin Chew Daily* entered in the **Malaysia's 30 Most Valuable Brands 2008**.
4. *Sin Chew Daily* won 5 prizes in the **Kenyalang Shell Press Awards 2008**.

▲ 1.

▲ 2.

▲ 3.

▼ 4.

Major Awards of the Year (Malaysia – Nanyang Group)

DATUK WONG KEE TAT JOURNALISM AWARDS 2007

Dato' Tan Leong Min Photography Award
Excellence Prize & 2 Outstanding Prizes

Dato' Yap Yong Seong Features Writing Award
2 Outstanding Prizes

Dato' P.C. Koh Business News Award
2 Outstanding Prizes

THE 3RD JOHOR MEDIA AWARDS 2008 (SOUTH JOHOR CHINESE PRESS CLUB)

Tan Liang Soong Best Photography Award
Excellence Prize

The Federation of Chinese Association Johor – News Report Award
Excellence Prize

Johor Bahru Tiong Hua Association Monographic News Report Award
Excellence Prize

Johor Bahru Chinese Chamber of Commerce & Industry Commercial News Report Award
First Prize

MPA MAGAZINE AWARDS 2008 (MAGAZINE PUBLISHERS ASSOCIATION MALAYSIA)

Business Magazine Cover – Chinese
Silver Award

Lifestyle Magazine Cover – Chinese
Bronze Prize

MERCEDES-BENZ MALAYSIA RED RIBBON MEDIA AWARDS 2008 (MERCEDES-BENZ)

Features (Chinese Newspaper)

MDTCA – MEDIA AWARDS 2008 (THE MINISTRY OF DOMESTIC TRADE AND CONSUMER AFFAIRS OF MALAYSIA)

Best Consumer News Journalist Award
Merit

THE 6TH DATO' SERI LIM GAIT TONG PRESS AWARDS (PENANG PRESS CLUB)

Datuk Khor Chong Boon Outstanding Journalist Award

▲ 1.

2009 MINISTRY OF HEALTH – MEDIA AWARDS (MINISTRY OF HEALTH, MALAYSIA)

Anugerah Wartawan Kesihatan Terbaik (Majalah Bahasa Cina)

Anugerah Wartawan Pendermaan Organ (Majalah Bahasa Cina)

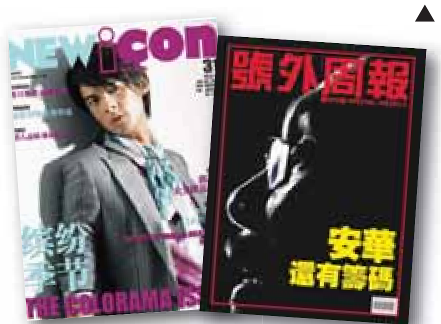
Anugerah Pendhargaan Majalah Yang Menyiarkan Pendermaan Organ (Majalah Bahasa Cina)

Anugerah Kewartawanan Kesihatan Terbaik Akhbar Bahasa Cina

Anugerah Foto Kesihatan Terbaik

▲ 2.

1. Ms LEE Kah Li (middle), reporter of *China Press*, received the Outstanding Journalist Award in the **6th Dato' Seri Lim Gait Tong Press Awards**.
2. The group photo was taken at the **Ministry of Health – Media Awards 2009** presentation.
3. The two magazine covers were honoured awards in the **MPA Magazine Awards 2008** organised by Magazine Publishers Association Malaysia.
4. The group photo was taken at the **Datuk Wong Kee Tat Journalism Awards 2007** presentation.



▲ 3.

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Significant Events (Hong Kong)

Ming Pao Daily News celebrated its 50th Anniversary by hosting a cocktail reception at JW Marriott Hotel Hong Kong on 20 May 2009. Chief Executive of the HKSAR Mr Donald TSANG officiated the ceremony. About a thousand government officials, business leaders, celebrities, famous artists and other dignitaries were also in attendance.

Mr Donald TSANG (7th from left), Chief Executive of the HKSAR; Mr Henry TANG (5th from right), Chief Secretary for Administration; Mr John TSANG (4th from left), Financial Secretary; Mr WONG Yan Lung (4th from right), Secretary for Justice, joined Tan Sri Datuk Sir TIONG Hiew King (7th from right), Group Executive Chairman and other Board members at the toasting ceremony.

Mr Donald TSANG (middle), Chief Executive of the HKSAR, cut the cake with Tan Sri Datuk Sir TIONG Hiew-King (right), Group Executive Chairman.

(From left) Mr CHEUNG Kin Bor, Chief Editor, *Ming Pao Daily News*; Mr Donald TSANG, Chief Executive of the HKSAR; Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman, and Mr TIONG Kiew Chiong, Group Chief Executive Officer, in front of the exhibition boards.

Mr LI Gang (right), Vice Minister of the Liaison Office of the Central People's Government in the HKSAR.

Mr Henry TANG (left), Chief Secretary for Administration.

Mr Joseph YAM, Chief Executive of the Hong Kong Monetary Authority.

Tan Sri Datuk Sir TIONG Hiew King (right), Group Executive Chairman, delivered a speech at the ceremony.

Mrs Margaret LEUNG, Vice-Chairman and Chief Executive of Hang Seng Bank.

Significant Events (Malaysia – Sin Chew Group)

Former Singapore *Sin Chew Daily* employees came to celebrate the 80th Anniversary of *Sin Chew Daily* in January 2009 with present management. Tan Sri Datuk Sir TIONG Hiew King (front row 5th from right), Group Executive Chairman, Dato' LIEW Chen Chuan (front row 4th from right), Managing Director of Sin Chew, Ms SIEW Nyoke Chow (front row 3rd from left), Group Editor-in-Chief of Sin Chew.

Tan Sri Datuk Sir TIONG Hiew King (1st from left), Group Executive Chairman, and Dato' LIEW Chen Chuan (1st from right), Managing Director of Sin Chew, with the sponsored children under the "WeCare – Sponsor-a-child Program".

"The Child Safety Alert Campaign" has received an overwhelming response from schools since its launch in 2008. More than 100 short plays were performed at primary schools nationwide.

World Vision Malaysia and *Sin Chew Daily* co-organised the 11th "30-Hour Famine". YB Datuk Ir Dr WEE Ka Siong (1st from left), Deputy Minister of Education, officiated the closing ceremony.

Mr LIEW Tong Ngan (left), Chief Executive Officer of World Vision Malaysia, and Ms SIEW Nyoke Chow (right), Group Editor-in-Chief of Sin Chew.

The "30-Hour Famine" was held in August 2008. Campers experienced the hunger and raised funds, transforming their hunger into hope for children and families in need.

Representatives of Spastic Children's Association of Selangor and Federal Territory presented a donation cheque to Ms SIEW Nyoke Chow (3rd from left), trustee of Yayasan Sin Chew cum Group Editor-in-Chief of Sin Chew. The donation was to assist the victims of the Sichuan Earthquake.

"Green Living Awareness Campaign" aroused public concern about environmental protection. Participants cheered and upheld their reusable shopping bags to show their enthusiastic support.

Significant Events (Malaysia – Nanyang Group)

The 85th Anniversary Dinner of *Nanyang Siang Pau* was held on September 6 2008. Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman, and Dato' LEONG Khee Seong, Executive Chairman of Nanyang Group, joined the launch of a new book, *Nanyang Salutes: The vision and the way*, on stage.

Nanyang Siang Pau and *China Press* co-organised the fund raising campaign to assist victims in the Sichuan Earthquake.

China Press co-organised the Mid-Autumn Festival Gathering 2008 at the Mines Wonderland. Residents of Balakong, Selangor enjoyed the festive celebration.

Nanyang Siang Pau co-organised the MCA Deputy Presidential Debate between aspirants Datuk Donald LIM Siang Chai and Datuk Seri Dr CHUA Soi Lek in October 2008.

"Romance in Fate Bridal Fair 2008" was held by Life Publishers at Malacca. The 3-day event drew an overwhelming response from the public.

Datuk Seri LIOW Tiong Lai (right), Malaysia Minister of Health, and Dato' LEONG Khee Seong (left), Executive Chairman of Nanyang Group, in the 5th International Health Fair 2008.

CittaBella organised a beauty workshop to provide updated information of skincare and make-up to readers.

"The 7th Nanyang Siang Pau's Golden Bull Award" was held to recognise the hard-earned success and outstanding achievements of the Small and Medium Enterprises (SME). Prime Minister Dato' Seri Najib Razak was invited to present the awards to the winners.

Nanyang Group celebrated the Year of Ox by organising a Lunar New Year Reunion Party. Community leaders and members shared the joy and expressed greetings to one another.

China Press co-organised a folk song concert in January 2008. The original singers of the Taiwanese folk songs were invited to perform in the concert and shared the memories of the past.

INTRODUCTION

The Board remains firmly committed to ensuring an appropriate and sound system of corporate governance throughout the Group. To this end, the Board has maintained the highest standard of corporate governance practices which forms a fundamental part of discharging its responsibilities to protect and enhance shareholders' investment and to improve the financial performance of the Group, whilst taking into account the interests of all stakeholders. The Board has been guided by the measures recommended by the Malaysian Code on Corporate Governance (the "Malaysian Code") and the Code on Corporate Governance Practices (the "Hong Kong Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Listing Rules").

The purpose of this statement is to outline the manner in which the Company has applied the principles and best practices of the Malaysian Code and the Hong Kong Code throughout the financial year ended 31 March 2009.

CONDUCT ON SHARE DEALINGS

The Company has adopted the Model Code as set out in Appendix 10 of the HK Listing Rules as the code for securities transactions by directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standard as set out in the Model Code during the year.

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

THE BOARD OF DIRECTORS

(a) The Board

The Board sets the vision and the strategic objectives of the Group, directing the policies, strategic action plans and stewardship of the Group. It focuses mainly on strategies, ensuring that the Group is properly managed, identifying principal risks and ensuring that there are proper systems to manage the same and the succession plan of the Group. The Board also reviews the effectiveness of the Group's internal control system as well as the communication with shareholders and investors.

The executive directors have direct responsibility for business operations and the independent non-executive directors ("INEDs") are responsible for bringing independent judgement and scrutiny on the decisions taken by the Board.

The Board has delegated specific responsibilities to sub-committees, namely, Group Executive Committee, Remuneration Committee, Nomination Committee and Audit Committee. These committees have the power to review particular issues and revert to the Board with their recommendations. The final decision on these issues lies ultimately with the Board. Further details of these committees are as set out on pages 39 to 40.

(b) Board balance

The Board comprises of twelve directors including seven executive directors, one non-executive director and four independent non-executive directors. The current composition of the Board complies with both the Listing Requirements of Bursa Malaysia Securities Berhad (the "Bursa Securities Listing Requirements") and the HK Listing Rules, which requires a minimum of 2 or 1/3 of the Board to be independent directors.

The directors contribute greatly to the Group through their business acumen and their wide range of functional knowledge. They are drawn from differing backgrounds such as accountancy, law, public policy and business. The profile of each director and his/her relationship with other directors (if any) and substantial shareholders are set out on pages 4 to 12.

The Board meets at least four times a year, once every quarter and the same is scheduled in advance at the beginning of the new financial year to enable the directors to plan. Five board meetings were held during the financial year ended 31 March 2009. The attendance record of each director during the year are as follows:

Name	Number of meetings attended	Percentage of attendance
Executive directors		
Tan Sri Datuk Sir TIONG Hiew King, *Group Executive Chairman*	3/5	60%
Mr TIONG Kiu King	3/5	60%
Dato' Sri Dr TIONG Ik King	5/5	100%
Dato' LEONG Khee Seong	5/5	100%
Mr TIONG Kiew Chiong, *Group Chief Executive Officer*	5/5	100%
Ms SIEW Nyoke Chow	5/5	100%
Ms SIM Sai Hoon	5/5	100%
Non-executive director		
Mr LEONG Chew Meng	5/5	100%
Independent non-executive directors		
Mr David YU Hon To	5/5	100%
Mr Victor YANG	5/5	100%
Tan Sri Dato' LAU Yin Pin	5/5	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	5/5	100%

(c) Sub-committees

The authorities, functions, composition and duties of each sub-committee and the attendance records of the committee meetings are set out below:

(i) Group Executive Committee – *established on 25 March 2008*

Name	Number of meetings attended	Percentage of attendance
Dato' LEONG Khee Seong, *Chairman*	5/5	100%
Mr TIONG Kiew Chiong	5/5	100%
Ms SIEW Nyoke Chow	5/5	100%
Ms SIM Sai Hoon	5/5	100%
Dato' LIEW Chen Chuan	5/5	100%
Mr ONG See Boon	5/5	100%

Responsibilities and activities

- Monitoring and reviewing the operations in Hong Kong, North America, Mainland China, Malaysia and Southeast Asia;
- Performing duties delegated by the Board and exercising the authorities and rights authorised by the same pursuant to written guidelines.

(ii) Remuneration Committee – *established on 25 May 2005*

Name	Number of meetings attended	Percentage of attendance
Tan Sri Dato' LAU Yin Pin, *Chairman*	2/2	100%
Mr David YU Hon To	2/2	100%
Mr Victor YANG	2/2	100%
Mr TIONG Kiew Chiong	2/2	100%
Ms SIM Sai Hoon	2/2	100%

Except for Mr TIONG Kiew Chiong and Ms SIM Sai Hoon who are executive directors, the rest of the members are all INEDs.

Responsibilities and activities

- Reviewing the Company's policies and structure for remuneration of the directors and senior management and recommending the improvements, if any, to the Board;
- Establishing a formal and transparent procedure for developing the policy of remuneration packages for the directors and senior management.

The remuneration of all the directors and their respective interest in share options are set out in note 14 to the consolidated financial statements and under the paragraph "Share option schemes" in the Report of the Directors.

(iii) Nomination Committee – *established on 25 May 2005*

Name	Number of meetings attended	Percentage of attendance
Mr Victor YANG, *Chairman*	1/1	100%
Mr David YU Hon To	1/1	100%
Tan Sri Dato' LAU Yin Pin	1/1	100%
Mr LEONG Chew Meng	1/1	100%

Except for Mr LEONG Chew Meng who is a non-executive director, the rest of the members are all INEDs.

Responsibilities and Activities

- Assessing the Board on its overall effectiveness;
- Assisting the Board in reviewing the required mix of skills, experience and knowledge of the Board and making recommendations to the Board regarding any proposed changes;
- Reviewing the Group's nomination policy and procedures and recommending improvements, if any, to the Board.

(iv) Audit Committee – *established on 30 March 1999*

Name

Mr David YU Hon To, *Chairman*
Mr Victor YANG
Tan Sri Dato' LAU Yin Pin
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH
Mr LEONG Chew Meng

Except for Mr LEONG Chew Meng who is a non-executive director, the rest of the members are all INEDs.

Further detailed information in relation to the Audit Committee is described in the Audit Committee Report set out on pages 54 to 59 of this Annual Report.

(d) Independence of INEDs

Pursuant to the requirements of the HK Listing Rules, except for Tan Sri Dato' LAU Yin Pin, the Company has received annual written confirmations from each INED of his independence to the Group and the Company considered all INEDs to be independent.

Tan Sri Dato' LAU was a director of Nanyang, which before becoming a subsidiary was a connected person of the Company, during the two years immediately prior to his appointment, as such he was unable to meet the independence guideline for INEDs set out in Rule 3.13(7) of the HK Listing Rules. Accordingly, as required under Rule 3.14 of the HK Listing Rules, the Company had, prior to his appointment, successfully demonstrated to the satisfaction of the HK Stock Exchange that Tan Sri Dato' LAU is independent and the reasons are set out in the Report of the Directors on pages 62 to 63.

(e) The division of responsibilities between the Group Executive Chairman and the Group Chief Executive Officer

The roles of the Group Executive Chairman and the Group Chief Executive Officer are separately held and the division of their responsibilities and roles is clearly established. This ensures a balance of power and authority. The Group Executive Chairman is responsible for the leadership of the Board, ensuring the Board's effectiveness and establishing a clear business and financial strategy for the Group. The Group Chief Executive Officer is responsible for managing the Group's business and implementing the approved strategies in achieving the corporate objectives.

(f) Supply of information

All Board members are supplied with information in a timely manner. Board reports are circulated prior to Board meetings to enable the directors to obtain further information and explanation, where necessary, before the meetings. The Board is provided with agenda for every Board meeting together with comprehensive management reports. In respect of regular board meetings or committee meetings, the notice and agenda are sent out to the directors at least fourteen days before the meetings.

The board reports provide, among others, quarterly performance reports of the Group, information on operational and financial issues, business forecasts and outlook and management proposals that require the Board's approval. All directors have the right and duty to make further enquiries where they consider necessary. In most instances, members of senior management are invited to be in attendance at Board meetings to provide insight and to furnish clarification on issues that may be raised by the Board.

Directors are also regularly updated on any new regulations, guidelines or directives issued by Bursa Malaysia Securities Berhad ("Bursa Securities"), Securities Commission of Malaysia, the HK Stock Exchange and other relevant regulatory authorities.

All directors may access to the advice and services of the company secretary, whether as a full board or in their individual capacities. Directors may, as they deem necessary and appropriate, seek legal or other independent professional advice on any matter connected with the discharge of their responsibilities at the expense of the Company.

(g) Appointments to the Board

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

(h) Re-election

In accordance with the Company's Bye-Laws, one third of the directors (save for the chairman) for the time being are required to retire from office at each annual general meeting. This is done on a rotation basis and subject to re-election. Further, all directors shall retire from office once in every three years but shall be eligible for re-election. Directors who are appointed during the financial year are also subject to re-election at the next annual general meeting held following their appointments.

All INEDs are appointed for a specific term and are subject to retirement and re-election by rotation at the annual general meeting under the Company's Bye-Laws.

(i) Directors remuneration

(i) Level and Make-up of Remuneration

The Remuneration Committee is responsible for determining the remuneration of the executive directors, non-executive directors and senior management. The executive directors' remuneration are linked to their corporate and individual performance, service seniority, experience and scope of responsibility and are periodically benchmarked to industry practices. For non-executive directors, the level of remuneration reflects the level of responsibilities undertaken by them. The Remuneration Committee makes the required recommendation to the Board and the Board makes a decision on the same.

(ii) Procedure

The fees of the directors, including the non-executive directors, that are based on the recommendation of the Remuneration Committee, are approved by the Board. Any increase in the annual fees of the non-executive directors are approved by the shareholders of the Company at its annual general meeting.

(iii) Disclosure

The aggregate remuneration of the directors, including the non-executive directors, for the financial year ended 31 March 2009 is as follows:

	Fees	**Salaries & other emoluments**	**Total**
	US$'000	US$'000	US$'000
Executive directors	329	1,046	1,375
Non-executive directors	121	2	123

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

Range of remuneration	Executive	Non-executive
from US$14,562 to US$29,124 (equivalent to RM50,001 to RM100,000)	2	4
from US$43,686 to US$58,248 (equivalent to RM150,001 to RM200,000)	–	1
from US$189,306 to US$203,868 (equivalent to RM650,001 to RM700,000)	1	–
from US$203,868 to US$218,430 (equivalent to RM700,001 to RM750,000)	1	–
from US$232,992 to US$247,554 (equivalent to RM800,001 to RM850,000)	1	–
from US$320,364 to US$334,925 (equivalent to RM1,100,001 to RM1,150,000)	1	–
from US$334,926 to US$349,487 (equivalent to RM1,150,001 to RM1,200,000)	1	–

DIRECTORS' TRAINING

All directors have completed the Mandatory Accreditation Programme prescribed by Bursa Securities. Training needs as deemed appropriate by individual Board members are provided. During the financial year, the Board members attended conferences, seminars and/or briefings to keep abreast with general economic, industry and technical developments.

SHAREHOLDERS

(a) Communications between the Company and investors

The Company strives to maintain an open and transparent channel of communication with its shareholders, institutional investors and investing public at large with the provision of clear, comprehensive and timely information through a number of readily accessible channels such as corporate announcements made through Bursa Securities and the HK Stock Exchange, circulars, website of the Company, press conferences, press releases, analyst briefings, annual reports, special general meetings as well as through its annual general meetings. The Company also believes that a constructive and effective investor relationship is an essential factor in enhancing value for its shareholders. However, whilst the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price sensitive information.

Procedure for voting by poll has been included in the circulars of the Company accompanying notices convening general meetings and has been read out by the chairman at the general meetings held during the year ended 31 March 2009.

(b) Annual general meeting

The Board acknowledges the need to communicate with shareholders on all material business matters affecting the Group, thus the annual general meeting is held via video conferencing connecting shareholders in both its dual listed jurisdictions namely Malaysia and Hong Kong. It has been the practice of the Company to set aside ample time for questions and answers session at the annual general meeting for suggestions and comments by shareholders to be noted by management for consideration. This provides an opportunity for the shareholders to have a better understanding of the business. Separate resolutions are proposed at general meetings for substantially separate issues at the meeting and the chairman declares the outcome of each resolution after proposal and secondment are done by the shareholders.

The respective chairman of the Board, Audit Committee, Remuneration Committee, Nomination Committee and key management of the Company as well as external auditor are available to respond to shareholders' questions during the annual general meeting.

(c) Website

The Company strives to ensure that shareholders and the general public would have an easy and convenient access to the Group's financial and corporate information via its website at http://www.mediachinese.com.

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

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

(i) Trading of the Company's shares

If a shareholder chooses to trade his shares in the Company on Bursa Securities, there is a stamp duty of RM1 for RM1,000 or fractional part of value of securities (payable by both buyer and seller) chargeable on the transaction. However, with effect from 17 March 2003, the maximum stamp duty to be paid is RM200. The applicable brokerage and clearing fees would also be payable by the seller and the buyer.

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

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

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

ACCOUNTABILITY AND AUDIT

(a) Financial reporting

The Board aims to provide a clear, balanced and comprehensive assessment of the Group's financial performance and prospects through the annual audited financial statements, interim financial statements, quarterly results announcements and corporate announcements on significant developments affecting the Group in accordance with the Bursa Securities Listing Requirements and the HK Listing Rules. The Board is assisted by the Audit Committee to oversee that the Group's financial reportings comply with the regulatory reporting requirements. The Group's financial statements are prepared in accordance with applicable International Financial Reporting Standards.

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

The Board is responsible for ensuring that the consolidated financial statements of the Group give a true and fair presentation of the state of affairs of the Group and of the Company as at the end of the financial year, and of the consolidated income statement and the consolidated cash flows statement for the year then ended.

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

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

(c) Internal controls

The Board acknowledges its responsibility for the Group's systems of internal control and risk management and for reviewing the effectiveness of those systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. Any system can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Group has effected several systems of internal control covering financial controls, operational and compliance controls and risk management. These systems will continue to be reviewed, added on or updated to provide for changes in the operating environment. The Statement on Internal Control set out on pages 52 to 53 of this Annual Report provides an overview on the state of internal controls within the Group.

(d) Relationship with auditor

The Board maintains a formal, transparent and professional relationship with the Company's auditors, both external and internal, through the Audit Committee. The auditors have from time to time highlighted to the Audit Committee and the Board on matters that require the Board's attention.

The Audit Committee meets regularly with the external auditor to discuss the audit plan, scope of audit before the commencement of audit, half yearly and annual financial statements, audit findings and makes recommendations for the Board's approval.

The Company's external auditor is PricewaterhouseCoopers, Hong Kong. During the year, PricewaterhouseCoopers, Hong Kong and its other member firms provided the following audit and non-audit services to the Group:

	US$'000
– Audit services (including interim review)	540
– Non-audit services	
(a) Tax services	101
(b) Other advisory services	13

Total fees for audit services and non-audit services provided by other external auditors/audit firms to the subsidiaries of the Group were approximately US$5,000 and US$26,000 respectively.

PricewaterhouseCoopers, Hong Kong will retire and offer itself for re-appointment at the annual general meeting of the Company to be held in August 2009.

A statement by PricewaterhouseCoopers, Hong Kong about the reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report of this Annual Report on page 77.

COMPLIANCE STATEMENT

Since its listing on Bursa Securities effective from 30 April 2008, the Board is satisfied that the Company has complied with the best practices of the Malaysian Code on Corporate Governance save for the appointment of a senior independent non-executive director.

The Company has adopted all the code provisions in the Hong Kong Code as its own code on corporate governance practices. During the year, the Company has met the code provisions, save for code provisions E.1.1 and E.2.2 as explained below, and to certain extent of the recommended best practices as set out in the Hong Kong Code.

Code provision E.1.1 provides that in respect of each substantially separate issue, such as the nomination of persons as directors, at a general meeting, a separate resolution should be proposed by the chairman of that meeting.

At the annual general meeting of the Company held on 27 August 2008 ("AGM 2008"), a shareholder proposed that the re-election of the retiring directors be passed under a single resolution instead of re-electing each director individually under separate resolutions in view of that such arrangement would enable the AGM 2008 being conducted in an efficient manner. The proposal was duly seconded by another shareholder and put to the meeting to vote by a show of hands. By unanimous votes in favour of the proposal, it was decided that the re-election of retiring directors be passed under a single resolution. The Board considered that the arrangement, being proposed and unanimously resolved by shareholders present at the AGM 2008, was reasonable and appropriate.

Code provision E.2.2 stipulates that the chairman of a meeting should indicate to the meeting the balance for and against the resolution after it has been dealt with on a show of hands.

At the AGM 2008, all the resolutions were passed by unanimous votes or majority votes, as such the chairman has not indicated to the meeting the balance for and against each resolution. The votes cast were properly recorded in the minutes of the meeting. The Board considered that the meeting was conducted in a good and efficient manner and that the deviation to the Hong Kong Code was acceptable.

ADDITIONAL COMPLIANCE INFORMATION

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

(a) Share repurchase

The details of shares repurchased by the Company during the financial year is set out on pages 61 to 62.

(b) Exercise of options, warrants or convertible securities

The details of the exercise of options under the share option schemes of the Company during the financial year is set out on pages 64 to 68.

The Company did not issue any warrants or convertible securities during the financial year.

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

The Company has not sponsored any ADR or GDR Programme during the financial year.

(d) Imposition of sanctions/penalties

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

(e) Variation in results

The audited results of the Company and of the Group for the financial year ended 31 March 2009 did not vary by 10% or more from the unaudited results announced to Bursa Securities on 26 May 2009.

(f) Profit guarantee

The Company did not issue any profit guarantee during the financial year ended 31 March 2009.

(g) Material contracts involving directors and major shareholders

There were no material contracts outside the ordinary course of business entered by the Company or its subsidiaries involving directors and major shareholders during the financial year ended 31 March 2009 and as at the Annual Report date save for the following:

- The land acquisition agreement dated 14 July 2008 and supplemental land acquisition agreement dated 11 September 2008 entered into between Sin Chew and Rimbunan Hijau Estate Sdn Bhd in relation to the acquisition of land and construction of the new office building.

Further details of the above transaction are set out under the "Continuing connected transaction and connected transactions" paragraph in the Report of the Directors on pages 72 to 73.

(h) Revaluation policy

The Company's revaluation policy on landed properties is disclosed in note 2.5 to the consolidated financial statements.

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

	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2009 RM'000	Equivalent in US$'000	Nature of relationship
1	Malaysian Newsprint Industries Sdn Bhd ("MNI")	Sin Chew, Nanyang	(i) Purchase of newsprint:			Progresif Growth Sdn Bhd ("Progresif") is a major shareholder of the Company. Tiong Toh Siong Holdings Sdn Bhd ("TTSH") is a major shareholder of Progresif and a major shareholder of the following two companies which are (pursuant to the Malaysian Companies Act, 1965 (the "Act")) substantial shareholders of MNI:
			Sin Chew	111,797	32,438	
			Nanyang	91,232	26,540	
			(ii) Disposal of scraps:			
			Sin Chew	1,420	401	(a) R. H. Development Corporation Sdn Bhd ("RHDC"); and
			Nanyang	2,149	607	(b) Rimbunan Hijau Estate Sdn Bhd ("RHE").
						Tan Sri Datuk Sir TIONG Hiew King ("TSTHK") is both a major shareholder and a director of the Company, TTSH, Pertumbuhan Abadi Asia Sdn Bhd ("PAA"), and Teck Sing Lik Enterprise Sdn Bhd ("TSL"). He is a major shareholder of RHE and RHDC, and a director of Sin Chew.
						Dato' Sri Dr TIONG Ik King is a director and major shareholder of the Company and TTSH. He is (pursuant to the Act) a substantial shareholder of RHDC.
2	RHE	Sin Chew	Sin Chew's tenancy for land and building on the land known as PN 3694, Lot 50 Seksyen 13, Bandar Petaling Jaya, Daerah Petaling Jaya, Malaysia from RHE as landlord	3,600	1,051	TTSH, Rimbunan Hijau Southeast Asia Sdn Bhd ("RHSA") and PAA are major shareholders of RHE and shareholders of the Company.
						TSTHK is a major shareholder of RHE and a director of Sin Chew. He is both a major shareholder and a director of the Company, TTSH, RHSA and PAA.
						Dato' Sri Dr TIONG Ik King is both a major shareholder and director of the Company and a shareholder of RHE.

	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2009 RM'000	Equivalent in US$'000	Nature of relationship
3	Pacific Hijau Sdn Bhd ("PHSB")	Sin Chew	Sin Chew's tenancy of various properties from PHSB as landlord	231	67	TSTHK is both a major shareholder and director of the Company and PHSB. He is a director of Sin Chew. Dato' Sri Dr TIONG Ik King is both a director and major shareholder of the Company. He is a shareholder of PHSB.
4	PHSB	Guang-Ming Ribao Sdn Bhd ("GMRSB")	GMRSB's tenancy of various properties from PHSB as landlord	16	5	TSTHK is both a major shareholder and director of the Company and PHSB. He is a director of Sin Chew (the holding company of GMRSB). Dato' Sri Dr TIONG Ik King is both a director and major shareholder of the Company. He is a shareholder of PHSB.
5	Tiong Toh Siong & Sons Sendirian Berhad	Mulu Press Sdn Bhd ("MPSB")	MPSB's tenancy of various properties from Tiong Toh Siong & Sons Sendirian Berhad as landlord	35	10	TTSH is a major shareholder of the Company and is the holding company of Tiong Toh Siong & Sons Sendirian Berhad. TSTHK is both a director and a major shareholder of the Company and TTSH. He is also a director of Tiong Toh Siong & Sons Sendirian Berhad and Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is a director and major shareholder of the Company and TTSH.
6	Rimbunan Hijau Holdings Sdn Bhd ("RHH")	MPSB	MPSB's tenancy of various properties from RHH as landlord	12	4	TSL is a major shareholder of RHH and a shareholder of the Company. TSTHK is both a director and major shareholder of the Company, TSL and RHH. He is a director of Sin Chew. Dato' Sri Dr TIONG Ik King is a director and major shareholder of the Company. He is also a major shareholder of RHH.

	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2009 RM'000	Equivalent in US$'000	Nature of relationship
7	Everfresh Dairy Products Sdn Bhd ("Everfresh")	MPSB	MPSB's tenancy of office from Everfresh as landlord	4	1	Tiong Toh Siong Enterprises Sdn Bhd ("TTSE") and TSL are major shareholders of Everfresh and shareholders of the Company. TSTHK is both a major shareholder and director of Everfresh, TTSE, TSL and the Company. Dato' Sri Dr TIONG Ik King is both a major shareholder and director of the Company. He is also a major shareholder of TTSE.
8	Evershine Agency Sdn Bhd ("EA")	MPSB	MPSB purchases motor vehicle insurance from EA	5	1	Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS") is a shareholder of the Company and a major shareholder of EA. TTSE is a major shareholder of RHS and a shareholder of the Company. TSTHK is a major shareholder of EA and a director of Sin Chew. He is both a director and major shareholder of the Company, RHS and TTSE. Dato' Sri Dr TIONG Ik King is a director and major shareholder of the Company. He is a major shareholder of TTSE and (pursuant to the Act) a substantial shareholder of EA.

	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2009 RM'000	Equivalent in US$'000	Nature of relationship
9	R.H. Tours & Travel Agency Sdn Bhd ("RHTT")	Sin Chew Group	Sin Chew Group purchases air tickets from RHTT	26	8	RHS is a shareholder of the Company and a major shareholder of RHTT. TTSE is a major shareholder of RHS and a shareholder of the Company. TSTHK is both a major shareholder and director of the Company, RHTT, RHS and TTSE. He is a director of Sin Chew. Dato' Sri Dr TIONG Ik King is both a major shareholder and director of the Company. He is a major shareholder of TTSE and a shareholder of RHTT.
10	RH Multimedia Broadcasting Corporation Sdn Bhd ("RH Multimedia")	Nanyang	RH Multimedia's tenancy of office from Nanyang as landlord	18	5	TSTHK is both a major shareholder and a director in of the Company. Tiong Chiong Ong (son of TSTHK) is a director and major shareholder of RH Multimedia and a shareholder of the Company. Wong Hee Joo @ Hee Yu (son-in-law of TSTHK) is a director and major shareholder of RH Multimedia.

Statement on Internal Control

INTRODUCTION

The Board complies with the Malaysian Code on Corporate Governance and the Code on Corporate Governance Practices contained in Appendix 14 of the HK Listing Rules which require the Group to maintain a sound system of internal controls to safeguard shareholders' investments and the Group's assets.

The Board is pleased to provide the following statement on internal control which outlines the nature and scope of internal control of the Group during the year under review.

BOARD RESPONSIBILITY

The Board acknowledges the importance of sound controls to good corporate governance. The Board affirms its overall responsibility for the Group's system of internal controls and for reviewing the adequacy and integrity of the system, including compliance with the applicable laws and regulations.

Such system is designed to manage the risks within an acceptable risk profile, rather than eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatement or loss.

Whilst the Board maintains ultimate responsibility over risks and control issues, it has delegated the implementation of such system to the executive management. The Group has in place an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives.

INTERNAL CONTROL FRAMEWORK

The Group's internal control framework covers (i) the setting of a defined management structure with limits of authority and clear lines of accountability; and (ii) the establishment of regular reporting of financial information. The relevant executive directors and senior management have been delegated with respective level of authorities and have specific responsibility for monitoring the performance of business operating units. Yearly budgets of the Group are reviewed and approved by the Board and monthly financial reports are reviewed by the Group's management. This helps the Board and the executive management to monitor the Group's business operations and to plan on a prudent and timely basis.

INTERNAL AUDIT

The Group has an in-house Internal Audit function, which provides the Board with the assurance it requires regarding the adequacy and integrity of the system of internal controls. The Internal Audit function independently reviews the internal controls in the key activities of the Group's business and reports to the Audit Committee on a quarterly basis. An annual internal audit plan is presented to the Audit Committee for approval. It provides continuous improvement to the control procedures.

The internal audit findings are discussed at management level and actions are agreed in response to the Internal Audit department recommendations. The status of implementation of the agreed actions is followed up by the Internal Audit department to verify that satisfactory control system is maintained.

The Audit Committee reviews all internal audit findings, management responses and the effectiveness of the internal controls. Significant risk issues, if any, are reported to the Board for consideration. The Audit Committee also briefs the Board on the deliberations or recommendations made in the Audit Committee meetings.

OTHERS

There are no material joint ventures nor are there any associated companies that have not been dealt with as a part of the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditor has reviewed this Statement on Internal Control for the inclusion in the Group's annual report for the financial year ended 31 March 2009 and reported to the Board that nothing has come to its attention that causes itself to believe that the statement is inconsistent with its understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

CONCLUSION

The Board is satisfied with the adequacy, integrity and effectiveness of the Group's internal control system. There is no material control failure or weakness that requires disclosure in the Group's annual report for the financial year under review.

Audit Committee Report

The Board is pleased to present the Audit Committee Report for the year ended 31 March 2009.

COMPOSITION

Mr David YU Hon To	*(Chairman/Independent Non-executive Director)*
Mr Victor YANG	*(Member/Independent Non-executive Director)*
Tan Sri Dato' LAU Yin Pin	*(Member/Independent Non-executive Director)*
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	*(Member/Independent Non-executive Director)*
Mr LEONG Chew Meng	*(Member/Non-executive Director)*

TERMS OF REFERENCE

1. Formation

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

2. Composition

The Audit Committee shall be appointed by the Board from among the Directors and shall consist of not less than three (3) members, all Audit Committee's members must be Non-Executive Directors, with a majority of them being Independent Directors.

The Board shall, within three (3) months of a vacancy occurring in the Audit Committee which result in the number of members reduced to below three (3), appoint such number of new members as may be required to make up the minimum number of three (3) members.

At least one member of the Audit Committee:

a) Must be a member of the Malaysian Institute of Accountants; or
b) If not a member of the Malaysian Institute of Accountants, that member must have at least 3 years' working experience and; must have passed the examinations specified in Part I of the 1st Schedule of the Malaysian Accountants Act, 1967; or must be a member of one of the associations of the accountants specified in Part II of the 1st Schedule of the Malaysian Accountants Act, 1967; or
c) Must have a degree/master/doctorate in accounting or finance and at least 3 years' post qualification in accounting or finance; or
d) Must have at least 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation and
e) Fulfils such other requirements as prescribed or approved by the Bursa Securities.
f) Is an Independent Non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the HK Listing Rules.

3. Quorum

A quorum shall consist of a majority of Independent Non-Executive Directors and shall not be less than two.

4. Chairman

The members of the Audit Committee shall elect a chairman from among their members who shall be an Independent Non-Executive Director. An alternate Director must not be appointed as a member of the Audit Committee.

In the absence of the chairman of the Audit Committee, the remaining members present shall elect one of themselves to chair the meetings of the Audit Committee.

5. Meetings

The meetings and proceedings are governed by the provisions contained in the Bye-Laws of the Company for regulating meetings and proceedings of Directors.

The Audit Committee shall meet at least four (4) times a year and such additional meetings as the chairman shall decide in order to fulfill its duties.

The finance director, the financial controller and a representative of the external auditor shall normally attend meetings of the Audit Committee. Other Board members shall also have the right of attendance.

However, at least twice a year the Audit Committee shall meet with the external auditor without executive Board members present.

The Audit Committee may invite any person to be in attendance to assist it in its deliberations.

Questions arising at any meeting of Audit Committee shall be decided by a majority of votes and a determination by a majority of members shall for all purposes be deemed a determination of the Audit Committee.

In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote PROVIDED THAT where two (2) members form a quorum, the chairman of the meeting at which only such a quorum is present, or at which only two members are competent to vote on the question at issue, shall not have a casting vote.

The Audit Committee shall be reporting to the full Board from time to time its recommendation for consideration and implementation and the actual decision shall be the responsibility of the Board after considering the recommendation of the Audit Committee.

The company secretary shall be the secretary of the Audit Committee. The secretary shall maintain minutes of the proceedings of the meetings of the Audit Committee and circulate such minutes to all members of the Board. In the absence of the company secretary in any meeting of the Audit Committee, the members present at the meeting of the Audit Committee shall elect another person as the secretary of the meeting.

6. Objectives

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

7. Authority

The Audit Committee is authorised by the Board:

a) To investigate any activity within its terms of reference;
b) To seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Audit Committee;
c) Subject to prior discussion concerning the costs, to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary and reasonable for the performance of its duties.

It shall have:

a) The authority to investigate any matter within its terms of reference;
b) The resources which are required to perform its duties;
c) Full and unrestricted access to any information pertaining to the Company;
d) Direct communication channels with the external auditor and internal auditor;
e) The right to obtain independent professional or other advice;
f) The right to convene meetings with the external auditor, the internal auditor or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

8. Duties and responsibilities

The duties and responsibilities of the Audit Committee shall be:

a) To be primarily responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;

b) To discuss any letter of resignation from the external auditor of the Company and whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment, and to recommend the nomination of a person or persons as external auditor;

c) To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard. The Audit Committee should discuss with the auditor the audit plan, audit nature and scope of the audit and reporting obligations before the audit commences;

d) To develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken;

e) To review the following and report the same to the Board:
   (i) the audit plan;
   (ii) the evaluation of the system of internal controls;
   (iii) the audit report;
   (iv) the assistance given by the employees of the Company to the external auditor;

f) To monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report, quarterly report and to review significant financial reporting judgements before submission to the Board particularly on:
   (i) any changes in and implementation of accounting policies and practices;
   (ii) major judgemental areas;
   (iii) significant adjustments resulting from audit;
   (iv) the going concern assumptions and qualifications;
   (v) compliance with accounting standards;
   (vi) compliance with the HK Listing Rules, Bursa Securities Listing Requirements and other legal requirements in relation to financial reporting; and
   (vii) significant and unusual events;

g) In regard to f) above:
   (i) members of the Audit Committee must liaise with the Company's Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditor; and
   (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditor;

h) To review the Company's financial controls, internal controls and risk management systems;

i) To discuss with the management the system of internal controls and ensure that management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget;

j) To consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response;

k) Where an internal audit function exists, to ensure co-ordination between the internal and external auditors; and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company; and to review and monitor the effectiveness of the internal audit function; and to review the adequacy of the scope, function, competency and resources of the internal audit functions and that it has the necessary authority to carry out its works; and to review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

l) To review the Group's financial and accounting policies and practices;

m) To review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or system of controls and management's response;

n) To ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

o) To report to the Board on the matters set out in provision of terms of reference of the Audit Committee;

p) To review any related party transaction and conflict of interest situation that may arise within the Company or its subsidiaries including any transaction, procedure or course of conduct that raises questions of management integrity;

q) To review any appraisal or assessment of the performance of members of the internal audit function, and to approve any appointment or termination of senior staff members of the internal audit function, and to take cognizance of resignations of internal audit staff members and provide the resignation staff member an opportunity to submit his reasons for resignation; and

r) To consider other topics, as defined by the Board.

9. Reporting procedures

a) The Head of Internal Audit Department shall functionally report directly to the Audit Committee.
b) The company secretary shall circulate the minutes of meetings of the Audit Committee to all members of the Board.

MEETINGS AND ATTENDANCE

During the financial year under review, a total of five Audit Committee meetings were held and the details of attendance are as follows:

Name of members	Number of meetings attended	Percentage of attendance
Mr David YU Hon To	5/5	100%
Mr Victor YANG	5/5	100%
Tan Sri Dato' LAU Yin Pin	5/5	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	5/5	100%
Mr LEONG Chew Meng	5/5	100%

The Head of Internal Audit Department was present at all meetings to present the internal audit reports to the Audit Committee. At the invitation of the Audit Committee, the Head of Finance Department(s) and other relevant senior management personnel also attended the meetings.

The Group's external auditor attended two meetings during the financial year under review, where they were invited to discuss matters related to the statutory audit for this period. They were also given the opportunity to raise areas of concern in the absence of the management.

SUMMARY OF ACTIVITIES

During the financial year under review, the Audit Committee carried out the following activities:

Financial results

a) Reviewed the quarterly, half-yearly and annual financial results before recommending them to the Board for consideration and approval;
b) Reviewed the annual financial statements of the Company and of the Group with the external auditor prior to submission to the Board for approval. The review was to ensure that the financial statements and disclosures were in accordance with the applicable Financial Reporting Standards in Hong Kong and Malaysia and other relevant legal and regulatory requirements.

Internal audit

a) Reviewed the internal audit resource requirements;
b) Reviewed the internal audit plan and programmes;
c) Reviewed the internal audit reports, recommendations and management's response;
d) Reviewed the improvement measures taken by management to rectify and enhance the internal control system.

External audit

a) Reviewed with the external auditor the audit plan, audit strategy and scope of work for the financial year under review;
b) Reviewed with the external auditor the results of the annual audit, audit report and management letter together with management's response to the findings of the external auditor;
c) Reviewed the proposed audit fees for the external auditor for the financial year ended 31 March 2009;
d) Evaluated the performance and effectiveness of the external auditor and made recommendations to the Board on its appointment and remuneration.

Others

a) Reviewed the related party transactions or continuing connected transactions entered into by the Group to ensure that the transactions had been conducted on the Group's normal commercial terms and that the internal control procedures relating to such transactions were sufficient;
b) Reviewed the Audit Committee Report and Statement on Internal Control for inclusion in the Annual Report 2009 for the financial year under review.

INTERNAL AUDIT FUNCTION

The Group has an in-house Internal Audit function. The Internal Audit function reports functionally and directly to the Audit Committee and is independent of management and of the activities it reviews. Its role encompasses the assessment and evaluation of the adequacy and effectiveness of the Group's system of internal controls. It provides reasonable assurance to the Audit Committee that established policies and procedures are adhered to and such system continues to operate effectively and satisfactorily.

A summary of activities carried out by the Internal Audit function during the financial year ended 31 March 2009 are as follows:

a) Prepared the annual internal audit plan of the Group for approval by the Audit Committee;
b) Audited various functional activities and areas as per approved audit plan, provided feedback and made the necessary recommendations to the Audit Committee and management;
c) Attended Audit Committee meetings to present, discuss as well as take instructions on matters that fell under the internal audit function;
d) Reviewed the related party transactions on quarterly basis;
e) Observed stock-take of raw materials and consumables to assess whether it had been conducted in accordance with approved procedures;
f) Attended relevant courses to keep abreast with the current developments to improve professional skills in internal auditing.

The total costs incurred for the Internal Audit function for the financial year ended 31 March 2009 was US$107,000.

Further details of the Internal Audit function are set in the Statement on Internal Control on pages 52 to 53.

SHARE OPTION SCHEME

The Audit Committee will be involved in reviewing the allocation of the options pursuant to the criteria set out in the share option scheme of the Company.

The directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2009.

CHANGE OF NAME

The Company was formerly known as Ming Pao Enterprise Corporation Limited and is a limited liability company incorporated in Bermuda. The new name of the Company, "Media Chinese International Limited", together with the new secondary name of the Company, "世界華文媒體有限公司", were registered with the Registrar of Companies in Bermuda on 13 March 2008. On 7 April 2008, the new name of the Company, "Media Chinese International Limited", also known as "世界華文媒體有限公司", was registered with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance (Chapter 32, Laws of Hong Kong). Subsequently on 10 April 2008, the new name of the Company, "Media Chinese International Limited", was registered with the Companies Commission of Malaysia.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

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

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

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

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 78.

A first interim dividend in respect of current year of US0.450 cents (2008: US0.258 cents) per share on 1,683,900,241 ordinary shares of the Company amounting to US$7,578,000 (2008: US$1,037,000) was paid on 22 January 2009.

On 26 May 2009, the Board of Directors has declared a second interim dividend of US0.143 cents per ordinary share amounting to US$2,408,000 in lieu of a final dividend for the year ended 31 March 2009 (2008: US$15,275,000). The second interim dividend will be payable on 13 August 2009 to ordinary shareholders, whose names appear on the register of members of the Company at the close of business on 16 July 2009, in cash in RM or in HK$ at exchange rates determined on 26 May 2009 by reference to the middle exchange rates at 12:00 noon applicable to US$ as quoted by Bank Negara Malaysia.

The middle exchange rates at 12:00 noon on 26 May 2009 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.492	0.500 sen
US$ to HK$	7.752	HK1.109 cents

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

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in note 30 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Movements in the share capital of the Company are set out in note 29 to the consolidated financial statements.

The shares of the Company have been listed on the main board of the HK Stock Exchange since 22 March 1991. On 30 April 2008, the Company's admission to the Official List of Bursa Securities and the listing of and quotation for the new shares on the main board of Bursa Securities took effect. As such, from 30 April 2008, shareholders of the Company are entitled to trade the shares on both the HK Stock Exchange and Bursa Securities.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2009, calculated under the Companies Act of 1981 of Bermuda (as amended), amounted to US$121,674,000 (2008: US$130,174,000).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 158.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year, the Company repurchased a total of 2,482,000 of its listed shares on the HK Stock Exchange for the purpose of enhancing the net asset value per share of the Company. Details of the repurchases are summarised as follows:

Month/Year	Number of shares repurchased	Purchase price per share Highest	Lowest	Aggregate purchase consideration	Equivalents in
		HK$	HK$	HK$	US$
April 2008	600,000	2.20	1.85	1,285,000	164,908
May 2008	50,000	2.00	2.00	100,000	12,821
June 2008	780,000	2.05	1.99	1,565,830	200,565
October 2008	1,050,000	1.54	1.22	1,526,546	193,713
December 2008	2,000	1.22	1.22	2,440	330
	2,482,000			4,479,816	572,337

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

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

DIRECTORS

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

Executive Directors

Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*
Mr TIONG Kiu King
Dato' Sri Dr TIONG Ik King
Dato' LEONG Khee Seong
Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*
Ms SIEW Nyoke Chow
Ms SIM Sai Hoon

Non-executive Director

Mr LEONG Chew Meng (appointed on 14 April 2008)

Independent Non-executive Directors

Mr David YU Hon To
Mr Victor YANG
Tan Sri Dato' LAU Yin Pin (appointed on 14 April 2008)
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

In accordance with the Company's Bye-Laws, Mr TIONG Kiu King, Dato' Sri Dr TIONG Ik King and Mr David YU Hon To retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election. In addition, Tan Sri Datuk Sir TIONG Hiew King shall be subject to and offer himself for re-election at the forthcoming annual general meeting.

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

Tan Sri Dato' LAU Yin Pin was a director of Nanyang, which before becoming a subsidiary was a connected person of the Company, during the two years immediately prior to his appointment, as such he was unable to meet the independence guideline for independent non-executive directors set out in Rule 3.13(7) of the HK Listing Rules. Accordingly, as required under Rule 3.14 of the HK Listing Rules, the Company had, prior to his appointment, successfully demonstrated to the satisfaction of the HK Stock Exchange that Tan Sri Dato' LAU Yin Pin is independent. For the reasons set out as below, the Board considers that Tan Sri Dato' LAU Yin Pin was, and is, independent.

Tan Sri Dato' LAU Yin Pin was appointed to the board of Nanyang by Huaren Management Sdn Bhd ("Huaren"), which was, until 17 October 2006, the single largest major shareholder of Nanyang. Tan Sri Dato' LAU Yin Pin's resignation from the board of Nanyang was effective from 30 April 2008. Apart from being a former non-independent non-executive director of Nanyang, Tan Sri Dato' LAU Yin Pin does not have any other connection with Nanyang.

In his capacity as a non-independent non-executive director, Tan Sri Dato' LAU Yin Pin was not involved in the day-to-day management of Nanyang, but his responsibility was to endorse corporate policy and to approve and authorise important transactions together with the other directors of Nanyang. Although Tan Sri Dato' LAU Yin Pin did not have a management role, his former appointment to the board of Nanyang was to ensure that the corporate direction and policies of Nanyang were adhered to and that Nanyang was being managed effectively and efficiently.

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

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

For the reasons set out above, the Board considers Tan Sri Dato' LAU Yin Pin a suitable candidate to be appointed as an independent non-executive director of the Company despite being unable to meet the independence guideline for independent non-executive directors set out in Rule 3.13(7) of the HK Listing Rules.

The Board is confident that both the Company and its shareholders as a whole will benefit from Tan Sri Dato' LAU Yin Pin's extensive experience.

COMPETING BUSINESS

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

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

DIRECTORS' SERVICE CONTRACTS

Mr David YU Hon To and Mr Victor YANG have entered into service contracts with the Company for a term of 2 years commencing from 1 April 2008 until 31 March 2010.

Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH has entered into a service contract with the Company for a term of 2 years and 12 days commencing from 20 March 2008 until 31 March 2010.

Tan Sri Dato' LAU Yin Pin has entered into a service contract with the Company for a term of 1 year and 11 months and 18 days commencing from 14 April 2008 until 31 March 2010.

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

SHARE OPTION SCHEMES

(a) Share option scheme of the Company

Pursuant to a share option scheme (the "MCI Scheme") approved at the special general meeting of the Company held on 21 August 2001 and for the primary purpose of providing incentive to full time employees, the directors of the Company may at their discretion invite full time employees, including executive directors of the Company and its subsidiaries to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

(i) Summary of terms:

The maximum individual entitlement of options shall not exceed 25% of the maximum aggregate number of shares in the capital of the Company in respect of which options may at that time be granted under the MCI Scheme. The maximum number of shares in respect of which options may be granted (together with options exercised and options then outstanding) under the MCI Scheme may not exceed 10% of the issued share capital of the Company from time to time excluding (i) any shares which have been duly allotted and issued pursuant to the MCI Scheme and other schemes; and (ii) any pro-rata entitlements to further shares issued in respect of those shares mentioned in (i). The MCI Scheme will remain valid for a period of ten years commencing on 21 August 2001 after which period no further options will be offered. The offer of a grant of share options may be accepted within 28 days from the date of offer upon payment of a nominal consideration of HK$1.00 by the grantee. Options granted are exercisable at any time within ten years after the date of grant or ten years after the adoption date of the MCI Scheme (i.e. 20 August 2011), whichever is earlier.

Pursuant to the HK Listing Rules' new requirements governing share option schemes which came into effect on 1 September 2001, certain provisions of the MCI Scheme were no longer applicable which included the basis of determining the subscription price. According to the HK Listing Rules, the share subscription price will be determined as the highest of (i) the nominal value of the shares of the Company, (ii) the average of the closing prices of the shares of the Company as stated in the daily quotation sheet by the HK Stock Exchange on the five trading days immediately preceding the granting of the options, and (iii) the closing price of the shares of the Company as stated in the daily quotation sheet by the HK Stock Exchange on the date of grant of the share options.

(ii) During the year, movements of the share options granted under the MCI Scheme are as follows:

Grantee	Number of shares involved in share options: Balance at 31 March 2008	Granted during the year *(note 1)*	Exercised during the year *(note 2)*	Lapsed during the year *(note 3)*	Balance at 31 March 2009	Percentage of issued ordinary shares at 31 March 2009	Exercise price per share HK$	Date of grant	Exercisable period
Directors:									
Tan Sri Datuk Sir TIONG Hiew King	300,000	–	–	–	300,000	0.018%	1.592	31/08/2001	01/09/2001–20/08/2011
Tan Sri Datuk Sir TIONG Hiew King	300,000	–	–	–	300,000	0.018%	1.800	15/09/2003	16/09/2003–20/08/2011
Mr TIONG Kiu King	300,000	–	–	–	300,000	0.018%	1.592	31/08/2001	01/09/2001–20/08/2011
Mr TIONG Kiu King	300,000	–	–	–	300,000	0.018%	1.800	15/09/2003	16/09/2003–20/08/2011
Dato' Sri Dr TIONG Ik King	300,000	–	–	–	300,000	0.018%	1.592	31/08/2001	01/09/2001–20/08/2011
Dato' Sri Dr TIONG Ik King	300,000	–	–	–	300,000	0.018%	1.800	15/09/2003	16/09/2003–20/08/2011
Mr TIONG Kiew Chiong	300,000	–	–	–	300,000	0.018%	1.592	31/08/2001	01/09/2001–20/08/2011
Mr TIONG Kiew Chiong	300,000	–	–	–	300,000	0.018%	1.800	15/09/2003	16/09/2003–20/08/2011
	2,400,000	–	–	–	2,400,000	0.144%			
Full time employees	1,351,000	–	(30,000)	(200,000)	1,121,000	0.067%	1.592	31/08/2001	01/09/2001–20/08/2011
Full time employees	839,000	–	(60,000)	–	779,000	0.046%	1.320	29/08/2003	30/08/2003–20/08/2011
Total	4,590,000	–	(90,000)	(200,000)	4,300,000	0.257%			

Notes:

(1) No share option was granted or cancelled during the year.

(2) During the year, 30,000 shares and 60,000 shares of HK$0.10 each were issued at HK$1.592 per share and HK$1.32 per share respectively as a result of the exercise of the Company's share options. The weighted average of the closing prices of the Company's shares immediately before the dates on which the above share options were exercised was HK$2.58.

(3) During the year, 200,000 share options have lapsed by reason of a grantee ceased to be a full time employee of the Group.

(b) Share option schemes of OMG

OMG is an exempted company incorporated in the Cayman Islands with limited liability on 11 March 2005 whose shares have been listed on the main board of the HK Stock Exchange since 18 October 2005 and is a subsidiary of the Company owned as to 62.83% at date of this report.

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

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

(i) Summary of terms:

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

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

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

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

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

(1) 20% of the shares comprised in the option will vest on each of the five anniversaries of the OMG listing date from the first anniversary of the listing date to the fifth anniversary of the listing date; or

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

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

(ii) As at 31 March 2009, no option has been granted or agreed to be granted by OMG under the Post-IPO Scheme. During the year, movements of the share options granted under the Pre-IPO Scheme are as follows:

	Number of shares involved in share options								
Grantee	**Balance at 31 March 2008**	**Granted during the year** *(note 2)*	**Exercised during the year** *(note 2)*	**Lapsed during the year**	**Balance at 31 March 2009**	**Percentage of issued ordinary shares of OMG at 31 March 2009**	**Exercise price per share** HK$	**Date of grant**	**Exercisable period**
Directors:									
Tan Sri Datuk Sir TIONG Hiew King *(note 1a)*	1,250,000	–	–	–	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr TIONG Kiu King *(note 1a)*	1,250,000	–	–	–	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Dato' Sri Dr TIONG Ik King *(note 1a)*	1,000,000	–	–	–	1,000,000	0.25%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr TIONG Kiew Chiong *(note 1a)*	1,250,000	–	–	–	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr TANG Ying Yu *(note 1a & 4)*	150,000	–	–	(150,000)	–	–	1.200	27/09/2005	18/10/2005–25/09/2015
Mr David YU Hon To *(note 1a)*	150,000	–	–	–	150,000	0.04%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr Victor YANG *(note 1a)*	150,000	–	–	–	150,000	0.04%	1.200	27/09/2005	18/10/2005–25/09/2015
	5,200,000	–	–	(150,000)	5,050,000	1.26%			
Full time employees *(note 1a & 3)*	7,650,000	–	–	(1,050,000)	6,600,000	1.65%	1.200	27/09/2005	18/10/2005–25/09/2015
Full time employees *(note 1b & 3)*	928,000	–	–	(40,000)	888,000	0.22%	1.200	27/09/2005	18/10/2005–25/09/2015
Total	13,778,000	–	–	(1,240,000)	12,538,000	3.13%			

Notes:

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

a. 20% of the OMG's shares comprised in the options will vest on each of the five anniversaries of the OMG listing date from the first anniversary of the listing date to the fifth anniversary of the listing date; or

b. 100% of the OMG's shares comprised in each of the option will fully vest on the first anniversary of the listing date,

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

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

(3) During the year, 1,090,000 share options have lapsed by reason of the grantees ceased to be full time employees of OMG and its subsidiaries.

(4) The share options of Mr TANG Ying Yu lapsed due to his resignation as an independent non-executive director of the Company on 31 March 2008.

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

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the Report of Directors under "Continuing Connected Transaction and Connected Transactions" on pages 72 to 73 and in Statement on Corporate Governance under "Recurrent Related Party Transactions of a Revenue Nature or Trading Nature" on pages 48 to 51, no contracts of significance in relation to the Group's businesses to which the Company, its subsidiaries, its holding company or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

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

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

	Number of ordinary shares of HK$0.1 each			
	As at 1 April 2008	Bought	Sold	As at 31 March 2009
(i) **The Company**				
Direct interest in shares:				
Tan Sri Datuk Sir TIONG Hiew King	150,000	86,359,058	–	86,509,058
Mr TIONG Kiu King	611,000	1,929,559	–	2,540,559
Dato' Sri Dr TIONG Ik King	–	9,406,189	–	9,406,189
Mr TIONG Kiew Chiong	1,220,000	3,868,783	(292,300)	4,796,483
Ms SIEW Nyoke Chow	–	2,523,472	(523,400)	2,000,072
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	–	135,925	–	135,925
Indirect interest in shares:				
Tan Sri Datuk Sir TIONG Hiew King	252,487,700[(1)]	218,017,683	–	470,505,383[(3)]
Mr TIONG Kiu King	147,000[(2)]	–	–	147,000[(2)]
Dato' Sri Dr TIONG Ik King	252,487,700[(1)]	–	–	252,487,700[(1)]
(ii) **Subsidiary – OMG**				
Direct interest in shares:				
Mr TIONG Kiew Chiong	3,500,000	250,000	–	3,750,000

Notes:

(1) Deemed interested by virtue of his interest in Conch Company Limited and Seaview Global Company Limited.

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

(3) Deemed interested by virtue of his interest in:

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

and his spouse's interest.

(b) At 31 March 2009, the interests of the directors, chief executives and their associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Hong Kong Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") are as follows:

(i) Interests in shares and underlying shares in the Company

	Number of shares/underlying shares held						
Name of director	**Personal interests**	**Family interests**	**Corporate interests**	**Total interest in shares**	**Interests in underlying shares pursuant to share options** *(note 1)*	**Aggregate interests**	**Percentage of issued ordinary shares at 31 March 2009**
Tan Sri Datuk Sir TIONG Hiew King	86,509,058	234,566	470,270,817 *(note 2)*	557,014,441	600,000	557,614,441	33.11%
Mr TIONG Kiu King	2,540,559	147,000	–	2,687,559	600,000	3,287,559	0.20%
Dato' Sri Dr TIONG Ik King	9,406,189	–	252,487,700 *(note 3)*	261,893,889	600,000	262,493,889	15.59%
Mr TIONG Kiew Chiong	4,796,483	–	–	4,796,483	600,000	5,396,483	0.32%
Ms SIEW Nyoke Chow	2,000,072	–	–	2,000,072	–	2,000,072	0.12%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	–	–	135,925	–	135,925	0.01%

Notes:

(1) These represent share options granted by the Company to the relevant directors under the MCI Scheme to subscribe for shares of the Company.

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

(i) 252,487,700 shares held by Conch;
(ii) 65,319,186 shares held by TSL;
(iii) 1,902,432 shares held by PAA;
(iv) 75,617,495 shares held by Ezywood;
(v) 15,536,696 shares held by RHS;
(vi) 6,532,188 shares held by RHSA;
(vii) 52,875,120 shares held by Madigreen.

Tan Sri Datuk Sir TIONG Hiew King directly holds 84% interest in TSL, 99.99% interest in PAA and 50% interest in Ezywood. In addition, PAA directly holds 47.62% interest in both RHS and RHSA, and 45% in Madigreen. The details of shares held by Conch are set out in note 3 below.

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

(ii) Interests in shares and underlying shares in OMG

Name of director	Number of shares/underlying shares held Personal interests	Family interests	Corporate interests	Total interest in shares	Interests in underlying shares pursuant to share options *(note)*	Aggregate interests	Percentage of issued ordinary shares of OMG at 31 March 2009
Tan Sri Datuk Sir TIONG Hiew King	–	–	–	–	1,250,000	1,250,000	0.31%
Mr TIONG Kiu King	–	–	–	–	1,250,000	1,250,000	0.31%
Dato' Sri Dr TIONG Ik King	–	–	–	–	1,000,000	1,000,000	0.25%
Mr TIONG Kiew Chiong	3,750,000	–	–	3,750,000	1,250,000	5,000,000	1.25%
Mr David YU Hon To	–	–	–	–	150,000	150,000	0.04%
Mr Victor YANG	–	–	–	–	150,000	150,000	0.04%

Note: These represent share options granted by OMG to the directors of the Company under the Pre-IPO Scheme conditionally approved by the Company and conditionally approved and adopted by OMG on 26 September 2005 to subscribe for shares of OMG.

Save as disclosed above and those disclosed under "Share Option Schemes", at 31 March 2009, none of the directors, chief executives and their associates had any interests in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code.

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

SUBSTANTIAL SHAREHOLDERS

The register of interests in shares and short positions maintained under Section 336 of the SFO shows that at 31 March 2009, the Company had been notified of the following interests in shares representing 5% or more of the Company's issued share capital:

Name of shareholder	Number of ordinary shares held	Percentage of issued ordinary shares at 31 March 2009
Progresif Growth Sdn Bhd *(note 1)*	326,663,556	19.40%
Conch Company Limited (*note 2)*	252,487,700	14.99%
Zaman Pemimpin Sdn Bhd *(note 3)*	154,219,783	9.16%

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

Notes:

(1) Progresif Growth Sdn Bhd is a wholly-owned subsidiary of Tiong Toh Siong Holdings Sdn Bhd.

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

(3) Zaman Pemimpin Sdn Bhd is jointly owned by Sharifah Rokayah Binti WAN OTHMAN and Salleh Bin DELAMID.

Save as disclosed above and those disclosed under "Particulars of Interests Held by Directors, Chief Executives and Their Associates", the Company had not been notified of any other interests representing 5% or more of the issued share capital of the Company at 31 March 2009.

CONTINUING CONNECTED TRANSACTION AND CONNECTED TRANSACTIONS

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

(a) Acquisition of land and construction of the new office building

On 14 July 2008, Sin Chew, a wholly-owned subsidiary of the Company, entered into a land acquisition agreement ("Land Acquisition Agreement") with Rimbunan Hijau Estate Sdn Bhd ("RHE") to acquire a piece of land known as PN 3694, Lot No. 50 Seksyen 13, Bandar Petaling Jaya, Daerah Petaling State of Selangor Darul Ehsan, Malaysia (the "Land") together with the buildings thereon for cash consideration of RM46,000,000 (equivalent to US$12,614,836).

Tan Sri Datuk Sir TIONG Hiew King, who is a substantial shareholder of the Company, together with family interests is interested in 100% of the issued share capital of RHE. RHE, being an associate of Tan Sri Datuk Sir TIONG Hiew King, is therefore a connected person of the Company.

The Board believes that by combining the Land proposed to be acquired under the Land Acquisition Agreement with the land currently owned by Sin Chew, the value of both may be enhanced and the said land will be unlocked for re-development purposes in the future. Further, the Land is easily accessible and is centrally located in the prime area of Petaling Jaya in the state of Selangor, Malaysia, and as such functions as an effective distribution centre for the publications of Sin Chew.

Adding to this, Sin Chew has a tenancy agreement for the land and buildings thereon with RHE with a monthly rental of RM300,000 (equivalent to US$82,271) for a term of three years commencing on 2 March 2007. After completion of the acquisition of the Land, the Board believes that Sin Chew will have a saving in rental expenses of RM3,600,000 (equivalent to US$987,248) per year. For the year ended 31 March 2009, the total rental expenses incurred by Sin Chew under the aforesaid tenancy agreement amounted to RM3,600,000 (equivalent to US$1,050,906).

Based on the calculations of applicable percentage ratios on an annual basis and the annual consideration amounts, the tenancy agreement with RHE constitutes a continuing connected transaction ("CCT") of the Company as defined under Chapter 14A of the HK Listing Rules.

Subsequently, on 4 August 2008, the Company announced that both RHE and Sin Chew mutually agreed to re-negotiate the terms of the Land Acquisition Agreement due to the change in commercial circumstances.

On 11 September 2008, the Company announced that on even date Sin Chew and RHE had entered into a supplemental land acquisition agreement which would supersede the Land Acquisition Agreement, pursuant to which Sin Chew conditionally agreed to acquire from RHE a portion of the Land together with buildings thereon (the "Sale Property") at a price of RM37,000,000 (equivalent to US$10,146,716) and pay the additional building cost to RHE for the construction of a new office building estimated at RM5,000,000 (equivalent to US$1,371,178) in cash.

Pursuant to an ordinary resolution passed at a special general meeting of the Company on 13 November 2008, subject to approvals of Malaysian Foreign Investment Committee and any other relevant authority, the proposed acquisition of the Sale Property and the reimbursement of the cost of constructing the new office building to RHE were approved and confirmed.

Upon the completion of the transaction, the above CCT will be terminated, and hence it will no longer constitute a continuing connected transaction of the Company.

The CCT has been reviewed by the independent non-executive directors of the Company. The independent non-executive directors have confirmed that the CCT has been entered into:

(a) on normal commercial terms or on terms that are fair and reasonable so far as the equity holders of the Company are concerned;

(b) in accordance with the terms of the agreement governing such transaction or on terms no less favourable than terms available to or from independent third parties; and

(c) within the relevant cap amount as disclosed in the previous announcement.

In accordance with paragraph 14A.38 of the HK Listing Rules, the Board of Directors engaged the auditor of the Company to perform certain factual finding procedures on the above CCT in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported the factual findings on these procedures to the Board of Directors.

(b) Acquisition of properties

Reference is made to an announcement of the Company on 29 January 2009, the Board announced that on 29 January 2009, Sin Chew, a wholly-owned subsidiary of the Company, entered into sale and purchase agreements with Pacific Hijau Sdn Bhd ("PH") to acquire thirteen (13) properties ("13 Sale Properties") from PH for a total consideration of RM5,920,000 (equivalent to US$1,644,901).

Tan Sri Datuk Sir TIONG Hiew King, who is a substantial shareholder of the Company, together with family interests is interested in 100% of the issued share capital of PH. PH, being an associate of Tan Sri Datuk Sir TIONG Hiew King, is therefore a connected person of the Company.

Since the relevant percentage ratios calculated under Chapter 14A of the HK Listing Rules in respect of the transaction are less than 2.5%, the transaction constitutes a connected transaction which is exempt from the independent shareholders' approval requirement under Chapter 14A of the HK Listing Rules.

Sin Chew has entered into tenancy agreements with PH for the 13 Sale Properties since 1990s. The Board believes that the transaction is necessary for the operations of Sin Chew as it ensures continuity of its presence in locations already known to its readers and advertisers. Furthermore, Sin Chew will be able to enjoy gross rental savings of approximately RM248,040 (equivalent to US$71,533) per annum.

The transaction was completed in April 2009.

Save as disclosed above, there were no other continuing connected transactions or connected transactions that were not exempted under the HK Listing Rules.

MANAGEMENT CONTRACTS

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

PENSION SCHEME ARRANGEMENT

Hong Kong

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

During the year, the Scheme was funded by contributions from both the employees and the Group at 5% each of the monthly basic salaries of the employees. Actual contributions paid by the Group was only 3% of the monthly basic salaries of the employees, the difference was funded from the forfeiture reserve. Forfeited employers' contributions arising from early termination of services by employees are credited to a forfeiture reserve for the purposes of funding the differences in the Group's contributions as aforesaid and for covering any shortfall on the defined benefit plans. The total amount available for such purposes amounted to US$1,226,000 at 31 March 2009 (31 March 2008: US$2,278,000).

The most recent independent actuarial valuation of the Scheme (the "Valuation") was carried out as at 31 March 2009 by Watson Wyatt Hong Kong Limited, a professionally qualified independent actuary. According to the Valuation, the Scheme was solvent at the date of the Valuation.

With effect from 1 December 2000, all new joiners of the Group are eligible to join the MPF. The Group's contributions to the MPF are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of HK$1,000 per employee per month (the "MPF Contributions"). The MPF Contributions are fully and immediately vested in the employees as accrued benefit once they are paid.

Malaysia

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

(a) Defined contribution plans

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

(b) Defined benefit plans

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

Other countries

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

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group purchased less than 30% of its goods and services from its 5 largest suppliers and sold less than 30% of its goods and services to its 5 largest customers.

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

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

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to approximately US$42,000 (2008: Nil).

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who retires and, being eligible, offers itself for re-appointment.

By Order of the Board

TIONG Kiew Chiong
Director

25 June 2009

Statement of Directors' Responsibilities in relation to the Financial Statements

The following statement, which should be read in conjunction with the Independent Auditor's Report set out on page 77, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditor in relation to the financial statements.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements comply with IFRSs as issued by the IASB; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

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

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MEDIA CHINESE INTERNATIONAL LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Media Chinese International Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 78 to 156, which comprise the consolidated and Company balance sheets as of 31 March 2009, and the consolidated income statement, the consolidated statement of recognised income and expense and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and of the Group as of 31 March 2009, and of the Group's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

OTHER MATTERS

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 June 2009

Consolidated Income Statement

For the year ended 31 March 2009

	Note	2009 US$'000	2008 US$'000
Turnover	*5*	**394,303**	328,260
Cost of goods sold	*6*	**(263,286)**	(212,171)
Gross profit		**131,017**	116,089
Other income	*5*	**6,474**	4,674
Other gains, net	*7*	**1,503**	1,401
Negative goodwill arising on the acquisition of Nanyang	*37*	**–**	13,094
Selling and distribution expenses	*6*	**(59,524)**	(50,289)
Administrative expenses	*6*	**(36,976)**	(30,547)
Other operating expenses	*6*	**(10,168)**	(9,951)
Operating profit		**32,326**	44,471
Finance costs	*8*	**(1,291)**	(710)
Profit before income tax		**31,035**	43,761
Income tax expense	*9*	**(13,680)**	(11,809)
Profit for the year		**17,355**	31,952
Attributable to:			
Equity holders of the Company		**16,790**	19,188
Minority interests		**565**	12,764
		17,355	31,952
Earnings per share attributable to the equity holders of the Company			
Basic (US cents)	*12*	**1.00**	2.10
Diluted (US cents)	*12*	**1.00**	2.10
Dividends	*11*		
First interim dividend in respect of current year, paid (2007–2008: paid)		**7,578**	1,037
Second interim dividend in respect of current year, proposed (2007–2008: paid)		**2,408**	15,275

The notes on pages 84 to 156 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 March 2009

	Note	2009 US$'000	2008 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*15*	**99,692**	112,603
Investment properties	*16*	**6,224**	7,056
Leasehold land and land use rights	*17*	**22,445**	24,262
Intangible assets	*18*	**14,861**	22,022
Goodwill	*18*	**54,620**	62,450
Non-current assets held for sale		**77**	–
Financial assets at fair value through profit or loss	*22*	**–**	1,128
Defined benefit plan assets	*23*	**–**	579
Deferred income tax assets	*35*	**2,430**	3,630
		200,349	233,730
Current assets			
Inventories	*24*	**41,948**	50,531
Available-for-sale financial assets	*25*	**646**	644
Financial assets at fair value through profit or loss	*22*	**221**	276
Trade and other receivables	*26*	**58,980**	76,896
Income tax recoverable		**1,057**	2,760
Cash and cash equivalents	*27*	**70,205**	76,559
		173,057	207,666
Current liabilities			
Trade and other payables	*28*	**50,210**	58,982
Income tax liabilities		**2,787**	4,067
Short-term bank loans	*31*	**14,579**	24,414
Bank overdrafts, secured	*27*	**2,428**	2,962
Current portion of long-term liabilities	*32*	**2,074**	6,460
		72,078	96,885
Net current assets		**100,979**	110,781
Total assets less current liabilities		**301,328**	344,511

As at 31 March 2009

	Note	2009 US$'000	2008 US$'000
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	*29*	**21,672**	5,167
Share premium	*29*	**280,160**	12,809
Other reserves	*30*	**(122,666)**	196,554
Retained earnings	*30*		
– Proposed dividend		**2,408**	15,610
– Others		**98,244**	91,136
		279,818	321,276
Minority interests		**8,189**	7,952
Total equity		**288,007**	329,228
Non-current liabilities			
Long-term liabilities	*32*	**3,072**	6,453
Deferred income tax liabilities	*35*	**10,249**	8,830
		13,321	15,283
		301,328	344,511

By Order of the Board

TIONG Kiu King
Director

TIONG Kiew Chiong
Director

The notes on pages 84 to 156 are an integral part of these consolidated financial statements.

Balance Sheet

As at 31 March 2009

	Note	2009 US$'000	2008 US$'000
ASSETS			
Non-current assets			
Interests in subsidiaries	*19*	**430,541**	348,427
Current assets			
Amounts due from subsidiaries	*19*	**979**	86,310
Trade and other receivables	*26*	**46**	33
Income tax recoverable		**–**	105
Cash and cash equivalents	*27*	**42**	47
		1,067	86,495
Current liabilities			
Amounts due to subsidiaries		**6,339**	–
Trade and other payables	*28*	**1,584**	2,209
		7,923	2,209
Net current (liabilities)/assets		**(6,856)**	84,286
Total assets less current liabilities		**423,685**	432,713
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	*29*	**21,672**	5,167
Share premium	*29*	**280,160**	12,809
Other reserves	*30*	**25,968**	310,352
Retained earnings	*30*		
– Proposed dividend		**2,408**	15,610
– Others		**93,477**	88,775
Total equity		**423,685**	432,713

By Order of the Board

TIONG Kiu King
Director

TIONG Kiew Chiong
Director

The notes on pages 84 to 156 are an integral part of these consolidated financial statements.

Consolidated Statement of Recognised Income and Expense

For the year ended 31 March 2009

	Note	2009 US$'000	2008 US$'000
Currency translation differences	*30*	**(33,627)**	10,462
Actuarial losses of defined benefit plan assets	*30*	**(817)**	(942)
Actuarial (losses)/gains of long service payment obligations	*30*	**(462)**	39
Net (expense)/income recognised directly in equity	*30*	**(34,906)**	9,559
Profit for the year		**17,355**	31,952
Total recognised (expense)/income for the year		**(17,551)**	41,511
Attributable to:			
Equity holders of the Company		**(18,106)**	24,112
Minority interests		**555**	17,399
		(17,551)	41,511

The notes on pages 84 to 156 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	Note	2009 US$'000	2008 US$'000
Cash flows from operating activities			
Cash generated from operations	*33(a)*	**59,001**	37,152
Interest on bank loans and overdrafts		**(1,208)**	(604)
Interest element of finance lease payments		**(83)**	(106)
Profits tax paid		**(9,934)**	(8,624)
Long service payments made		**(52)**	(9)
Contributions to the defined benefit plan		**(80)**	(70)
Net cash generated from operating activities		**47,644**	27,739
Cash flows from investing activities			
Purchase of property, plant and equipment		**(9,680)**	(5,797)
Purchase of investment properties		**(32)**	–
Purchase of leasehold land and land use rights		**(157)**	–
Purchase of intangible assets		**(236)**	(133)
Purchase of financial assets at fair value through profit or loss		**–**	(3,012)
Proceeds from disposals of property, plant and equipment, leasehold land and land use rights	*33(d)*	**237**	801
Proceeds from redemption of listed investment		**–**	2,510
Net cash inflow in respect of the acquisition of Nanyang		**–**	3,884
Professional fees paid for the acquisition of equity interest from minority shareholders of Sin Chew		**–**	(675)
Interest received		**1,673**	2,153
Dividends received		**11**	11
Net cash used in investing activities		**(8,184)**	(258)
Cash flows from financing activities			
Repurchase of ordinary shares		**(572)**	(748)
Proceeds from exercise of share options		**17**	39
Distribution of assets by a subsidiary		**(47)**	–
Dividends paid		**(22,853)**	(1,037)
Dividends paid by Sin Chew		**–**	(7,781)
Dividends paid by a listed subsidiary		**(306)**	(50)
Repayment of bank loans		**(7,206)**	(12,023)
Repayment of short-term bank loans		**(7,692)**	(864)
Proceeds from capital element of finance lease payments		**441**	1,252
Capital element of finance lease payments		**(614)**	(721)
Net cash used in financing activities	*33(b)*	**(38,832)**	(21,933)
Net increase in cash and cash equivalents, and bank overdrafts		**628**	5,548
Cash and cash equivalents, and bank overdrafts as at 1 April		**73,597**	64,924
Exchange adjustments on cash and cash equivalents, and bank overdrafts		**(6,448)**	3,125
Cash and cash equivalents, and bank overdrafts as at 31 March	*27*	**67,777**	73,597

The notes on pages 84 to 156 are an integral part of these consolidated financial statements.

1 GENERAL INFORMATION

Media Chinese International Limited (the "Company") is a limited liability company incorporated in Bermuda. The Company is an investment holding company. The principal activities of its subsidiaries are the publishing, printing and distribution of Chinese-language newspapers, magazines and books, and the provision of travel and travel related services in Hong Kong, North America, Mainland China, Malaysia and Southeast Asia. The shares of the Company have been listed on the main board of The Stock Exchange of Hong Kong Limited ("HK Stock Exchange") since 22 March 1991.

On 23 April 2007, the Company entered into a merger agreement with Sin Chew Media Corporation Berhad ("Sin Chew") and Nanyang Press Holdings Berhad ("Nanyang"). As disclosed in the Company's announcement dated 1 April 2008, all parties to the merger confirmed that all the applicable conditions precedent as set out in the merger agreement had been received, obtained, fulfilled or satisfied (as the case may be) as of 31 March 2008. Pursuant to the merger, the Company issued new shares to the existing shareholders of Sin Chew and Nanyang in exchange for 100% interest in Sin Chew and Nanyang respectively. See note 2.2 for basis of consolidation of the financial statements of Sin Chew and Nanyang.

On 30 April 2008, the Company's admission to the Official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and the listing of and quotation for its new shares on the main board of Bursa Securities took effect. As such, from 30 April 2008, shareholders of the Company are entitled to trade the Company's shares on both the HK Stock Exchange and Bursa Securities.

Sin Chew is an investment holding company and its subsidiaries are principally engaged in the publishing, printing and distribution of newspapers and magazines which include *Sin Chew Daily* and *Guang Ming Daily*. *Sin Chew Daily* and *Guang Ming Daily* are the largest and the third-largest Chinese-language daily newspapers in Malaysia respectively.

The principal activities of Nanyang are investment holding, letting of properties and provision of management services. The principal activities of its subsidiaries are the publishing, printing and distribution of newspapers and magazines, and provision of internet related services and electronic commerce. Currently, Nanyang publishes two Chinese-language newspapers in Malaysia, namely *Nanyang Siang Pau* and *China Press*. Nanyang, through Life Publishers Berhad which is Malaysia's largest Chinese-language magazine publisher, has one tabloid and 19 magazines under its portfolio.

These consolidated financial statements are prepared in thousands of units of United States dollars (US$'000), unless otherwise stated.

These consolidated financial statements have been approved for issue by the board of directors on 25 June 2009.

2 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

2.1 Basis of preparation

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

The Company adopted merger accounting to account for business combinations of entities under common control. For details, please refer to note 2.2(a).

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

The accounting policies adopted are consistent with those used in the audited consolidated annual financial statements of the Group for the year ended 31 March 2008 with the addition of the following interpretation to an existing standard which is relevant to the Group's operations and is mandatory for the financial year ended 31 March 2009:

IFRIC – Int 14	IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new interpretation has no material effect on the financial position or performance of the Group.

The Group has not yet early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective for the financial year ended 31 March 2009. The Group is in the process of making an assessment of the impact of these new IFRSs in their period of initial application.

		Effective for accounting periods beginning on or after
IFRIC – Int 13	Customer loyalty programmes	1 July 2008
IFRIC – Int 16	Hedges of a net investment in a foreign operation	1 October 2008
IAS 1 (Revised)	Presentation of financial statements	1 January 2009
IAS 23 (Revised)	Borrowing costs	1 January 2009
IAS 32 and IAS 1 Amendment	Puttable financial instruments and obligations arising on liquidation	1 January 2009
IFRS 2 Amendment	Share-based payment vesting conditions and cancellations	1 January 2009
IFRS 7 Amendment	Financial instruments: Disclosures – Improving disclosures about financial instruments	1 January 2009
IFRS 8	Operating segments	1 January 2009
Amendments to IFRS 1 and IAS 27	Cost of an investment in a subsidiary, jointly controlled entity and associate	1 January 2009
IFRIC – Int 15	Agreements for the construction of real estate	1 January 2009
IAS 27 (Revised)	Consolidated and separate financial statements	1 July 2009
Amendment to IAS 39 and IFRIC-Int 9	Financial instruments: Recognition and measurement – Eligible hedged items	1 July 2009
IFRS 3 (Revised)	Business combination	1 July 2009

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

		Effective for accounting periods beginning on or after
IFRS 3 – Appendix C	Impairment testing cash-generating units with goodwill and non-controlling interests	1 July 2009
IFRS 5	Non-current assets held for sale and discontinued operations	1 July 2009
IFRIC – Int 17	Distributions of non-cash assets to owners	1 July 2009
IFRIC – Int 18	Transfers of assets from customers	Effective for transfers of assets from customers received on or after 1 July 2009

Apart from the above, a number of improvements and minor amendments to IFRSs have also been issued but are not yet effective for the accounting period ended 31 March 2009 and have not been adopted in these consolidated financial statements.

2.2 Basis of consolidation

(a) Both the Company and Sin Chew have been under the common control of the same controlling party before and after the merger, details of which were disclosed in the Company's announcement dated 1 April 2008. As such, the Group has applied the principles of merger accounting to account for the business combination with Sin Chew and its subsidiaries as if the combination had occurred from the date when the Company and Sin Chew first came under the common control of the controlling party.

The Group has applied the purchase method to account for the acquisition of equity interest in Nanyang as a wholly-owned subsidiary pursuant to the merger on the effective completion date, i.e. 31 March 2008.

Accordingly, the Group's consolidated income statement for the year ended 31 March 2009 included the results of both Sin Chew and Nanyang whereas for the comparative year ended 31 March 2008, only Sin Chew's results were included.

(b) Group Accounting

(i) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Basis of consolidation *(Continued)*

(b) Group Accounting *(Continued)*

(i) Consolidation (Continued)

(a) Subsidiaries *(Continued)*

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (note 2.6(a)). If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses (note 2.8). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group and are recorded in the consolidated income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(ii) Foreign currency translation

(a) Functional currency and translation to presentation currency

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Basis of consolidation *(Continued)*

(b) Group Accounting *(Continued)*

(ii) Foreign currency translation (Continued)

(b) Transactions and balances

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

(c) Group companies

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

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

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

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to equity. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

Unallocated expenses represent corporate expenses. Segment assets consist primarily of property, plant and equipment, defined benefit plan assets, inventories, receivables and operating cash, and exclude financial assets at fair value through profit or loss, income tax recoverable and corporate assets. Segment liabilities comprise operating liabilities and exclude items such as income tax liabilities and certain corporate borrowings. Capital expenditure comprises additions to property, plant and equipment.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.3 Segment reporting *(Continued)*

In respect of geographical segment reporting, revenue and results are based on the location in which the customer is located. Total assets and capital expenditure are based on where the assets are located.

2.4 Property, plant and equipment

(a) Other properties

Other properties are interests in freehold/leasehold land and buildings and are stated at cost or fair value.

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

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

(b) Plant and equipment

Plant and equipment, comprising leasehold improvements, furniture, fixtures, office equipment, machinery, printing equipment, motor vehicles and construction in-progress are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	7.5% – 33.33% or over remaining period of leases
Furniture, fixtures and office equipment	7.5% – 33.33%
Machinery and printing equipment	5% – 33.33%
Motor vehicles	10% – 25%

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.8).

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.5 Investment properties

Investment properties, principally comprising leasehold land and office buildings, are held for long-term rental yields and are not occupied by the Group. Investment properties are carried at fair value, representing open market value determined annually by external valuers. Fair value is based on active market prices adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

2.6 Intangible assets and goodwill

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Intangible assets

Intangible assets comprise costs of computer softwares, archives, mastheads and publishing rights that are acquired by the Group and are stated in the consolidated balance sheet at fair value or cost less accumulated amortisation.

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

Archives, mastheads and publishing rights	15–40 years
Computer softwares	5–10 years

2.7 Financial assets

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

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. A financial asset with a maturity longer than one year at the inception date is classified as non-current. Derivatives are classified as held for trading unless they are designated as hedges. Changes in fair values (realised and unrealised) are recognised in the consolidated income statement.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.7 Financial assets *(Continued)*

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the consolidated balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets represented unlisted club debentures.

At each balance sheet date, the fair value of available-for-sale financial assets is remeasured, with any unrealised holding gains or losses arising from the changes in fair value being recognised directly in the available-for-sale financial assets reserve under equity, except for impairment losses. When the investments are derecognised or impaired, the cumulative gains or losses previously recognised directly in the equity is recognised in the consolidated income statement.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the assets. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

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

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

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade and other receivables is described in note 2.10.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.8 Impairment of investments in subsidiaries and non-financial assets

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

2.9 Inventories

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

2.10 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement within selling and distribution expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and distribution expenses in the consolidated income statement.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and bank overdrafts. Bank overdrafts are shown as current liabilities on the consolidated balance sheet.

2.12 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.13 Leases

(a) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the leases at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and long-term liabilities. The interest element of the finance cost is recognised in the consolidated income statement over the lease periods so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

When assets are leased out under an operating lease, the asset is included in the consolidated balance sheet based on the nature of the asset.

Lease income from operating lease is recognised over the term of the lease on a straight-line basis.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.15 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.15 Current and deferred income tax *(Continued)*

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and an associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.16 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to the employees. A provision is made for the estimated liability for annual leave as a result of services rendered by the employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Profit sharing and bonus plans

The expected cost of profit sharing and bonus plans is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by the employees and a reliable estimate of the obligation can be made. Liabilities for profit sharing and bonus plans are expected to be settled within 12 months of the balance sheet date and are measured at the amounts expected to be paid when they are settled.

(c) Pension obligations

The Group operates two types of retirement benefit schemes for its employees:

Defined contribution plans
For the defined contribution plans, the Group undertakes to pay a defined contribution (e.g. a fixed amount or a fixed percentage of the pay) into separately administered funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contributions to the defined contribution plans are expensed as incurred. The Group's defined contribution plans cover the eligible employees in Hong Kong, North America, Mainland China and Malaysia.

Defined benefit plans
For the defined benefit plans, the Group undertakes to pay a defined benefit (e.g. a retirement pension at a fixed amount or a fixed percentage of the employee's final salary) for its eligible employees. Under the defined benefit plans, the Group usually bears the risks relating to future developments in interest and inflation rates etc.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits *(Continued)*

(c) Pension obligations *(Continued)*

Defined benefit plans (Continued)

For defined benefit plans, the present value of future benefits, which the Group is liable to pay under the plans, is computed using actuarial principles. The computation of present value is based on assumptions about basic interest rates, increases in pay rates and pensions, investment yield, staff resignation rates, mortality and disability. Present value is computed exclusively for the benefits to which the employees have earned entitlement through their employment with the Company.

The Group's defined benefit plans cover eligible employees in Hong Kong and Malaysia.

(i) The defined benefit plan for the Group's employees in Hong Kong is funded by means of an independent pension fund. The liability recognised in the consolidated balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for actuarial gains and loss and unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields of Hong Kong Government's Exchange Fund Notes which have similar terms as the terms of the related liabilities and that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in the year in which they occur in the consolidated statement of recognised income and expense.

Past service costs are recognised immediately in the consolidated income statement, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

(ii) The defined benefit plan for the Group's employees in Malaysia is not funded. The Group's obligation under the plan is calculated using the projected unit credit method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that the employees have earned in return for their services in the current and prior years is estimated. The benefit is discounted in order to determine its present value.

(d) Long service payments

The Group's net obligations in respect of long service payments on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefits that the employees have earned in return for their services in the current and prior periods.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits *(Continued)*

(d) Long service payments *(Continued)*

The obligation is calculated using the projected unit credit method, discounted to its present value and reduced by entitlements accrued under the Group's retirement plans that are attributed to contributions made by the Group. The discount rate is the yield at balance sheet date on Hong Kong Government's Exchange Fund Notes which have terms to maturity approximating the terms of the related liability. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in the year in which they occur in the consolidated statement of recognised income and expense.

(e) Share-based compensation

The Group operates share-based compensation schemes. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in the assumptions about the number of options that are expected to vest. At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest. The Group recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Share capital

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Advertising income, net of trade discounts, is recognised when the newspapers and magazines are published.

Revenue from the circulation and subscription sales of newspapers, magazines and books, net of trade discounts and returns, is recognised on the transfer of risks and rewards of ownership, which generally coincides with the date of delivery. Unearned subscription fees received from subscribers are recorded as subscriptions received in advance under trade and other payables in the consolidated balance sheet.

Revenue from packaged tour operations is recognised upon the departure of tours. Revenue from the provision of other travel related services is recognised upon the delivery of services.

Travel agency commission income earned from the provision of travel agency services is recognised in accordance with the respective agency agreements, which generally coincides with the time when the services are rendered.

License fees and royalty income are recognised on an accrual basis in accordance with the substance of the relevant agreements.

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Management fee income is recognised on an accrual basis.

Operating lease rental income is recognised in equal instalments over the periods covered by the lease term.

Dividend income is recognised when the right to receive payment is established.

2.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment for specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are recognised in the consolidated income statement in the year in which they are incurred.

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.21 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: price risk, interest rate risk, credit risk, currency risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management according to the policies of the Group. The Group's senior management identifies and evaluates financial risks in close co-operation with the Group's operating units.

(a) Price risk

(i) Newsprint prices can be volatile as they are subject to, among others, demand and supply of pulp and fluctuations in energy prices. Newsprint costs account for approximately 34% of the total operating costs (excluding tour costs) of the Group. Therefore, the profitability of the Group may be adversely affected by the volatility in newsprint prices.

However, the Group seeks to limit this risk through, inter-alia, keeping a close contact with its local and foreign suppliers, reduce dependency on any single supply source to ensure reliability and cost competitiveness and maintaining a certain inventory level of newsprint in order to reduce the impact of volatile newsprint prices on the profitability of the Group.

(ii) The Group is exposed to listed equity securities price risk because investments held by the Group are classified on the consolidated balance sheet as financial assets at fair value through profit or loss, for which management adopts the indicative market value provided by the issuers as their best estimate of the fair values of such securities. See note 22. The investment committee monitors the investment portfolio and the related price risk.

(b) Interest rate risk

The Group's cash balances are exposed to the risk arising from changing interest rates. The Group manages this risk by placing deposits at various maturities and interest rate terms.

The Group's bank loans and obligations under finance leases have exposure to risk arising from changing interest rates. Bank loans and obligations under finance leases at variable rates expose the Group to cash flow interest rate risk, and those at fixed rates expose the Group to fair value interest rate risk. The Group manages these risks by maintaining an appropriate level between fixed rates and variable rates for its loans and obligations under finance leases.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Interest rate risk *(Continued)*

To evaluate the sensitivity of the Group's profit before income tax from possible changes in interest rates, the impact of an interest rate change was modeled on the floating rate of bank loans and obligation under finance lease while all other variables were held constant. Based on these assumptions, a hypothetical increase of 100 basis points, or 1 percent per annum, in interest rates effective 1 April 2009, would have reduced the Group's profit before income tax for the year ended 31 March 2009 by US$180,000 (2008: reduced by US$358,000).

(c) Credit risk

Credit risk is the risk of a loss resulting from the failure of one of the Group's counterparties to discharge its contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The extent of credit risk relating to the Group's trade receivables (according to the extent to which provisions for impairment are warranted) is disclosed in note 26. The Group maintains cash and cash equivalents with reputable financial institutions from which management believes the risk of loss to be remote. The management assesses credit quality of outstanding cash and cash equivalents balances as high and considers no individually significant exposure. Maximum exposure to credit risk at the reporting date is the carrying value of the cash at banks.

(d) Currency risk

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

Currency exposure arising from the net assets of the Group's operations, such as those in Mainland China, Hong Kong, North America, Malaysia and Southeast Asia are managed primarily through operating liabilities denominated in the relevant foreign currencies.

At 31 March 2009, if US$ had weakened/strengthened by 10% against the RM with all other variables held constant, equity would have been US$3,712,000 (2008: US$2,015,000) higher/lower, arising mainly from foreign exchange gains/losses on translation of RM-denominated financial assets and liabilities.

At 31 March 2009, if US$ had weakened/strengthened by 5% against the RMB with all other variables held constant, equity would have been US$199,000 (2008: US$225,000) higher/lower, arising mainly from foreign exchange gains/losses on translation of RMB-denominated financial assets and liabilities.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(e) Liquidity risk

The liquidity risk of the Group is controlled by maintaining sufficient banking facilities and cash and cash equivalents, which are generated from the operating cashflow and financing cashflow.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group		**Company**	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Bank borrowings				
within one year	**19,056**	34,407	**–**	–
in the second year	**1,007**	3,192	**–**	–
in the third to fifth year	**590**	2,666	**–**	–
	20,653	40,265	**–**	–
Trade and other payables				
within one year	**37,053**	49,788	**1,584**	2,209
Amounts due to subsidiaries	**–**	–	**6,339**	–
	57,706	90,053	**7,923**	2,209

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase of shares, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated balance sheet.

During 2009, the Group's strategy, which was unchanged from 2008, was to maintain a gearing ratio below 10%. The gearing ratios at 31 March 2009 and 2008 were zero as the Group has net balance of cash and cash equivalents in excess of total borrowings.

	Group	
	2009	2008
	US$'000	US$'000
Cash and cash equivalents	**70,205**	76,559
Less: total borrowings	**(20,516)**	(39,287)
Cash and cash equivalents in excess of total borrowings	**49,689**	37,272

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation

The fair value of financial assets at fair value through profit or loss traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial assets at fair value through profit or loss that are not traded in an active market is determined by independent valuation techniques. The Group adopted the quotation provided by the issuers as its best estimate of the fair value.

The carrying value less impairment provision of trade receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair value of investment properties is determined based on valuations performed by independent external valuers. The fair value represent the amount at which the assets could be exchanged between knowledgeable, willing sellers in an arm's length transaction at the date of valuation.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The Group makes estimates and judgements concerning the future based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Defined benefit plan assets

Determination of the carrying amount of defined benefit plan assets requires actuarial assumptions made in respect of discount rate, rate of return on plan assets and rate of future salary increase. Changes to these assumptions could have a significant risk of causing a material adjustment to the carrying amount in the consolidated balance sheet.

Other key assumptions for defined benefit plan assets are based in part on current market conditions. Additional information is disclosed in note 23.

(b) Provision for long service payments

The provision is based on the best estimation of the probable future payments that have been earned by the employees from their services to the Group at the balance sheet date. Actuarial assumptions made in respect of discount rate, rate of return on plan assets and rate of future salary increase also determine the carrying amount of the provision for long service payments. Changes to these assumptions could have a significant risk of causing a material adjustment to the carrying amount in the consolidated balance sheet.

Other key assumptions for provision for long service payments are based in part on current market conditions. Additional information is disclosed in note 32(c).

(c) Fair value of financial assets at fair value through profit or loss

The fair value of financial assets at fair value through profit or loss that are not traded in an active market is determined either by independent valuation techniques or by reference to quotations provided by the issuers as its best estimate of the fair value.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT *(Continued)*

(d) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.6(a). The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates. Changing the assumptions selected by the Group to determine the level, if any, of impairment, including the discount rate or the growth rate assumptions, could significantly affect the Group's reported financial condition and results of operations.

(e) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Deferred income tax assets

Management has considered future taxable income and on-going prudent and feasible tax planning strategies in assessing the recognition criteria for deferred income tax assets recorded in relation to cumulative tax loss carried forwards. The assumptions regarding future profitability of various subsidiaries and agreed tax losses with the tax authorities require significant judgement, and significant changes in these assumptions from period to period may have a material impact on the Group's reported financial condition and results of operations.

(g) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on IAS 40 "Investment Property" in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

(h) Fair value of investment properties

Investment properties are stated at fair values which have been determined by an accredited independent valuer.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT *(Continued)*

(i) Fair value of share options at grant date

Determining the fair value of share options at grant date requires actuarial assumptions made in respect of the volatility of the stock, risk-free interest rates, forfeiture rate and sub-optimal exercise factors. Changes to these assumptions could have a significant risk of causing a material adjustment to the carrying amount in the equity. Details of these actuarial assumptions are set out in note 29(c).

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION

Turnover consists of income from the publishing, printing and distribution of Chinese-language newspapers, magazines and books, and provision of travel and travel related services. Turnover and other income recognised during the year are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Turnover		
Advertising income, net of trade discounts	**227,378**	188,736
Sales of newspapers, magazines and books, net of trade discounts and returns	**111,993**	75,268
Travel and travel related services income	**54,522**	63,684
Travel agency commission income	**410**	572
	394,303	328,260
Other income		
Interest income	**1,673**	2,153
Rental and management fee income	**483**	297
Dividend income	**11**	11
License fee and royalty income	**502**	159
Sales of newsprint waste	**3,805**	2,054
	6,474	4,674
Total revenue	**400,777**	332,934

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION *(Continued)*

The Group's turnover and results for the year, analysed by business segment and geographical segment, are as follows:

Primary reporting format – business segments

	Publishing and printing 2009 US$'000	Travel 2009 US$'000	Elimination 2009 US$'000	Total 2009 US$'000
Turnover	339,371	54,932	–	394,303
Segment results	36,981	(176)	–	36,805
Provision for impairment of intangible assets	(3,895)	–	–	(3,895)
	33,086	(176)	–	32,910
Interest income				1,673
Net unallocated expenses				(2,257)
Operating profit				32,326
Finance costs				(1,291)
Profit before income tax				31,035
Income tax expense				(13,680)
Profit for the year				17,355
Segment assets	367,388	5,567	(3,817)	369,138
Unallocated assets				4,268
Total assets				373,406
Segment liabilities	(68,847)	(7,135)	3,817	(72,165)
Unallocated liabilities				(13,234)
Total liabilities				(85,399)
Capital expenditure on property, plant and equipment	9,540	140	–	9,680
Depreciation	9,625	120	–	9,745
Amortisation of leasehold land and land use rights	647	–	–	647
Amortisation of intangible assets	800	–	–	800
Net other non-cash expenses	381	34	–	415

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION *(Continued)*

Primary reporting format – business segments *(Continued)*

	Publishing and printing 2008 US$'000	Travel 2008 US$'000	Elimination 2008 US$'000	Total 2008 US$'000
Turnover	264,004	64,256	–	328,260
Segment results	35,092	99	–	35,191
Negative goodwill arising on the acquisition of Nanyang	13,094	–	–	13,094
Provision for impairment of goodwill and intangible assets	(5,393)	–	–	(5,393)
	42,793	99	–	42,892
Interest income				2,153
Net unallocated expenses				(574)
Operating profit				44,471
Finance costs				(710)
Profit before income tax				43,761
Income tax expense				(11,809)
Profit for the year				31,952
Segment assets	432,539	7,736	(4,744)	435,531
Unallocated assets				5,865
Total assets				441,396
Segment liabilities	(100,485)	(8,055)	4,744	(103,796)
Unallocated liabilities				(8,372)
Total liabilities				(112,168)
Capital expenditure on property, plant and equipment	5,711	86	–	5,797
Depreciation	7,500	114	–	7,614
Amortisation of leasehold land and land use rights	448	–	–	448
Amortisation of intangible assets	506	–	–	506
Net other non-cash expenses	2,338	7	–	2,345

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION *(Continued)*

Secondary reporting format – geographical segments

	Malaysia and Southeast Asia 2009 US$'000	Hong Kong 2009 US$'000	North America 2009 US$'000	Mainland China 2009 US$'000	Elimination 2009 US$'000	Total 2009 US$'000
Turnover	234,338	93,992	59,986	5,987	–	394,303
Segment results	40,348	4,342	(4,234)	(2,211)	–	38,245
Provision for impairment of intangible assets	(3,895)	–	–	–	–	(3,895)
	36,453	4,342	(4,234)	(2,211)	–	34,350
Interest income						1,673
Net unallocated expenses						(3,697)
Operating profit						32,326
Finance costs						(1,291)
Profit before income tax						31,035
Income tax expense						(13,680)
Profit for the year						17,355
Segment assets	279,014	93,783	16,159	26,474	(46,292)	369,138
Unallocated assets						4,268
Total assets						373,406
Segment liabilities	(45,589)	(16,628)	(40,359)	(15,881)	46,292	(72,165)
Unallocated liabilities						(13,234)
Total liabilities						(85,399)
Capital expenditure on property, plant and equipment	8,232	813	564	71	–	9,680

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION *(Continued)*

Secondary reporting format – geographical segments *(Continued)*

	Malaysia and Southeast Asia 2008 US$'000	Hong Kong 2008 US$'000	North America 2008 US$'000	Mainland China 2008 US$'000	Elimination 2008 US$'000	Total 2008 US$'000
Turnover	147,756	108,399	65,477	6,628	–	328,260
Segment results	32,132	8,760	(2,310)	(1,793)	–	36,789
Negative goodwill arising on the acquisition of Nanyang	13,094	–	–	–	–	13,094
Provision for impairment of goodwill and intangible assets	–	(5,393)	–	–	–	(5,393)
	45,226	3,367	(2,310)	(1,793)	–	44,490
Interest income						2,153
Net unallocated expenses						(2,172)
Operating profit						44,471
Finance costs						(710)
Profit before income tax						43,761
Income tax expense						(11,809)
Profit for the year						31,952
Segment assets	326,811	114,424	20,268	27,748	(53,720)	435,531
Unallocated assets						5,865
Total assets						441,396
Segment liabilities	(74,085)	(17,507)	(50,056)	(15,868)	53,720	(103,796)
Unallocated liabilities						(8,372)
Total liabilities						(112,168)
Capital expenditure on property, plant and equipment	2,705	1,199	1,721	172	–	5,797

6 EXPENSES BY NATURE

	Group	
	2009	2008
	US$'000	US$'000
Auditor's remuneration		
Current year	**545**	532
Under provision in prior years	**11**	12
Raw materials and consumables used	**120,092**	91,364
Depreciation		
Owned property, plant and equipment	**9,371**	7,270
Leased property, plant and equipment	**374**	344
Amortisation of leasehold land and land use rights	**647**	448
Amortisation of intangible assets	**800**	506
Employee benefit expense (including directors' emoluments)	**100,927**	78,610
Operating lease expenses		
Land and buildings	**3,240**	1,614
Machineries	**19**	19
Provision for impairment and written off of receivables	**312**	2,232
Provision for inventory obsolescence	**103**	113
Gain on disposals of property, plant and equipment, leasehold land and land use rights – net	**(25)**	(308)
Provision for impairment of goodwill and intangible assets	**3,895**	5,393
Other expenses	**129,643**	114,809
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**369,954**	302,958

7 OTHER GAINS, NET

	Group	
	2009	2008
	US$'000	US$'000
Net exchange gain	**319**	204
Fair value losses on financial assets at fair value through profit or loss	**(1,184)**	(322)
Fair value gains on investment properties	**101**	–
Others	**2,267**	1,519
	1,503	1,401

8 FINANCE COSTS

	Group	
	2009	2008
	US$'000	US$'000
Interest on bank loans and overdrafts wholly repayable within five years	**1,208**	604
Interest element of finance lease payments wholly repayable within five years	**83**	106
	1,291	710

9 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the statutory tax rate of 25% (2008: 26%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax expense charged to the consolidated income statement represents:

	Group	
	2009	2008
	US$'000	US$'000
Hong Kong profits tax		
Current year	**1,369**	1,217
Under provision in prior years	**14**	6
Malaysian taxation		
Current year	**9,047**	7,511
Under/(over) provision in prior years	**64**	(534)
Other countries' taxation		
Current year	**513**	1,049
(Over)/under provision in prior years	**(390)**	1,450
Deferred income tax expense	**3,063**	1,110
	13,680	11,809

9 INCOME TAX EXPENSE *(Continued)*

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rates applicable to profits of the consolidated entities as follows:

	Group	
	2009	2008
	US$'000	US$'000
Profit before income tax	**31,035**	43,761
Tax calculated at domestic tax rates applicable to profits in the respective countries	**10,896**	9,841
Effect on deferred tax resulting from a change in tax rates	**(11)**	(92)
Income not subject to tax	**(2,928)**	(2,845)
Expenses not deductible for tax purposes	**1,605**	2,066
Utilisation of previously unrecognised tax losses	**(9)**	(159)
Recognition of deferred tax assets arising from previously unrecognised tax losses	**(20)**	(429)
Deferred tax assets unrecognised during the year	**3,786**	2,600
Under provision in prior years – deferred tax	**674**	–
Temporary differences not recognised	**186**	39
(Over)/under provision in prior years	**(312)**	922
Utilisation of current year's reinvestment allowance	**(187)**	(134)
Income tax expense	**13,680**	11,809

The weighted average applicable tax rate for the year was 35% (2008: 22%). The increase was caused by the higher tax rates applicable to certain subsidiaries operating in foreign jurisdictions and losses incurred by some of the operating subsidiaries.

10 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of US$14,384,000 (2008: loss of US$340,000).

11 DIVIDENDS

	Company	
	2009	2008
	US$'000	US$'000
First interim, paid US0.450 cents (2007–2008: US0.258 cents, paid) per ordinary share	**7,578**	1,037
Second interim, proposed US0.143 cents (2007–2008: US0.926 cents, paid) per ordinary share	**2,408**	15,275
	9,986	16,312

11 DIVIDENDS *(Continued)*

Notes:

(a) The first interim dividend of US0.450 cents (2007–2008: US0.258 cents) per ordinary share amounting to US$7,578,000 was paid on 22 January 2009.

(b) On 26 May 2009, the Board of Directors has declared a second interim dividend of US 0.143 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2009. The dividend will be payable on 13 August 2009 in cash in RM or in HK$ at exchange rates determined on 26 May 2009 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia to ordinary shareholders, whose names appear on the register of members of the Company at the close of business on 16 July 2009. No tax is payable on the dividend declared by the Company to be received by Malaysian shareholders as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

The middle exchange rates at 12:00 noon on 26 May 2009 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.492	0.500 sen
US$ to HK$	7.752	HK1.109 cents

(c) The 2007–2008 second interim dividend represented a dividend of US0.926 cents per ordinary share in respect of the year ended 31 March 2008 and was paid to shareholders of the Company on 15 August 2008.

The actual 2007–2008 second interim dividend paid was different from the proposed 2007-2008 second interim dividend as disclosed in Annual Report 2008. This was caused by the fluctuations in exchange rates and the repurchase of 830,000 ordinary shares between the dividend declaration date and the dividend payment date.

12 EARNINGS PER SHARE

(i) Basic

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. For the purpose of calculating the weighted average number of ordinary shares, ordinary shares in issue and all the shares that were deemed to have been issued as detailed in note 29(a) during the year were taken into account.

	Group	
	2009	2008
Profit attributable to equity holders of the Company (US$'000)	**16,790**	19,188
Weighted average number of ordinary shares in issue	**1,684,618,455**	914,936,623
Basic earnings per share (US cents)	**1.00**	2.10

12 EARNINGS PER SHARE *(Continued)*

(ii) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, which is the share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Group	
	2009	2008
Profit attributable to equity holders of the Company (US$'000)	**16,790**	19,188
Weighted average number of ordinary shares in issue	**1,684,618,455**	914,936,623
Adjustment for share options	**152,209**	741,244
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,684,770,664**	915,677,867
Diluted earnings per share (US cents)	**1.00**	2.10

13 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

	Group	
	2009	2008
	US$'000	US$'000
Wages and salaries	**81,207**	61,877
Unutilised annual leave	**557**	34
Share compensation costs on share options granted by a listed subsidiary	**91**	229
Pension costs – defined contribution plans	**5,720**	3,385
Pension income – defined benefit plans *(note 23)*	**(71)**	(32)
Long service payments *(note 32(c))*	**239**	19
Other staff costs	**13,184**	13,098
	100,927	78,610

14 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Details of directors' emoluments for the years ended 31 March 2009 and 2008 are set out below:

Name of Director	Fees US$'000	Salaries, allowances and benefits in kind US$'000	Discretionary bonuses US$'000	Employer's contributions to pension schemes US$'000	Share compensation costs on share options granted by a listed subsidiary US$'000	Total US$'000
Executive directors						
Tan Sri Datuk Sir TIONG Hiew King	**291**	**–**	**36**	**1**	**9**	**337**
Mr TIONG Kiu King	**19**	**–**	**–**	**–**	**9**	**28**
Dato' Sri Dr TIONG Ik King	**19**	**–**	**–**	**–**	**7**	**26**
Dato' LEONG Khee Seong	**–**	**203**	**44**	**–**	**–**	**247**
Mr TIONG Kiew Chiong	**–**	**276**	**27**	**14**	**9**	**326**
Ms SIEW Nyoke Chow	**–**	**165**	**23**	**28**	**–**	**216**
Ms SIM Sai Hoon	**–**	**152**	**20**	**23**	**–**	**195**
Non-executive director						
Mr LEONG Chew Meng	**17**	**–**	**–**	**–**	**–**	**17**
Independent non-executive directors						
Mr David YU Hon To *(note 1)*	**44**	**–**	**–**	**–**	**1**	**45**
Mr Victor YANG	**22**	**–**	**–**	**–**	**1**	**23**
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	**19**	**–**	**–**	**–**	**–**	**19**
Tan Sri Dato' LAU Yin Pin	**19**	**–**	**–**	**–**	**–**	**19**
Total for the year ended 31 March 2009	**450**	**796**	**150**	**66**	**36**	**1,498**

Name of Director	Fees US$'000	Salaries, allowances and benefits in kind US$'000	Discretionary bonuses US$'000	Employer's contributions to pension schemes US$'000	Share compensation costs on share options granted by a listed subsidiary US$'000	Total US$'000
Executive directors						
Tan Sri Datuk Sir TIONG Hiew King	–	–	–	–	21	21
Mr TIONG Kiu King	–	–	–	–	21	21
Dato' Sri Dr TIONG Ik King	–	–	–	–	17	17
Mr TIONG Kiew Chiong	–	247	36	12	21	316
Independent non-executive directors						
Mr TANG Ying Yu	19	–	–	–	3	22
Mr David YU Hon To *(note 1)*	41	–	–	–	3	44
Mr Victor YANG	22	–	–	–	3	25
Total for the year ended 31 March 2008	82	247	36	12	89	466

14 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(Continued)*

(a) Details of directors' emoluments for the years ended 31 March 2009 and 2008 are set out below: *(Continued)*

Notes:

1 The director fee to Mr David YU Hon To included the fee as an independent non-executive director of OMG, a listed subsidiary of the Company, in the amount of US$18,000 (2008: US$15,000).

2 No directors waived any emoluments and no emoluments were paid to the directors as an inducement fee to join or as compensation for loss of office during the years ended 31 March 2009 and 2008.

3 During the year, no option (2008: nil) was granted to the directors under the share option scheme of the Company approved by the shareholders at the Special General Meeting held on 21 August 2001.

4 At 31 March 2009, no option was granted to the directors under the Post-IPO Scheme of OMG.

(b) The five highest paid individuals during the year include two (2008: one) executive directors whose emoluments are reflected in the analysis presented above. The emoluments paid to the remaining three (2008: four) individuals during the year are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Basic salaries, discretionary bonuses, other allowances and benefits in kind	**868**	1,034
Contributions to pension schemes	**62**	64
Share compensation costs on share options granted by a listed subsidiary	**2**	21
	932	1,119

The emoluments of the three (2008: four) individuals fell within the following bands:

	Number of individuals	
	2009	2008
From US$257,183 to US$321,477	**2**	4
From US$321,478 to US$385,773	**1**	–
	3	4

15 PROPERTY, PLANT AND EQUIPMENT

	Group								
	Other properties								
	Freehold/ leasehold land and buildings outside Hong Kong	Buildings held on long-term leases outside Hong Kong	Buildings held on medium-term leases in Hong Kong	Builings held on medium-term leases outside Hong Kong	Leasehold improve-ments, furniture, fixtures and office equipment	Machinery and printing equipment	Motor vehicles	Construction in-progress	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 31 March 2007									
Cost	21,928	264	8,769	1,581	27,340	77,532	2,131	243	139,788
Accumulated depreciation	(3,999)	(45)	(2,633)	(394)	(21,656)	(46,179)	(1,324)	–	(76,230)
Net book value	17,929	219	6,136	1,187	5,684	31,353	807	243	63,558
Year ended 31 March 2008									
Opening net book value	17,929	219	6,136	1,187	5,684	31,353	807	243	63,558
Additions	228	–	–	–	2,220	2,257	744	348	5,797
Transfers	218	–	–	–	6	–	–	(224)	–
Acquisition of subsidiary – Nanyang	19,958	2,823	–	109	3,980	19,758	346	–	46,974
Exchange adjustments	1,436	–	–	–	324	2,258	74	26	4,118
Disposals	–	–	–	(106)	(34)	(51)	(39)	–	(230)
Depreciation *(note c)*	(954)	(4)	(243)	(34)	(2,329)	(3,702)	(348)	–	(7,614)
Closing net book value	38,815	3,038	5,893	1,156	9,851	51,873	1,584	393	112,603
At 31 March 2008									
Cost	44,150	3,087	8,769	1,534	33,967	102,303	2,959	393	197,162
Accumulated depreciation	(5,335)	(49)	(2,876)	(378)	(24,116)	(50,430)	(1,375)	–	(84,559)
Net book value	38,815	3,038	5,893	1,156	9,851	51,873	1,584	393	112,603

15 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

	Group								
	Other properties								
	Freehold/ leasehold land and buildings outside Hong Kong	Buildings held on long-term leases outside Hong Kong	Buildings held on medium-term leases in Hong Kong	Builings held on medium-term leases outside Hong Kong	Leasehold improvements, furniture, fixtures and office equipment	Machinery and printing equipment	Motor vehicles	Construction in-progress	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Year ended 31 March 2009									
Opening net book value	38,815	3,038	5,893	1,156	9,851	51,873	1,584	393	112,603
Additions	1,543	20	–	–	1,966	2,438	513	3,200	9,680
Exchange adjustments	(4,938)	(357)	14	(10)	(938)	(6,011)	(172)	(189)	(12,601)
Reclassifications	–	–	–	–	(8)	291	–	(316)	(33)
Disposals	–	–	–	–	(74)	(47)	(91)	–	(212)
Depreciation *(note c)*	(1,156)	(53)	(243)	(35)	(2,861)	(4,986)	(411)	–	(9,745)
Closing net book value	34,264	2,648	5,664	1,111	7,936	43,558	1,423	3,088	99,692
At 31 March 2009									
Cost	39,974	2,753	8,791	1,524	32,262	94,774	2,605	3,088	185,771
Accumulated depreciation	(5,710)	(105)	(3,127)	(413)	(24,326)	(51,216)	(1,182)	–	(86,079)
Net book value	34,264	2,648	5,664	1,111	7,936	43,558	1,423	3,088	99,692

Notes:

(a) The carrying values of machines and motor vehicles purchased under finance leases are US$2,001,000 and US$206,000 respectively (2008: US$2,326,000 and US$448,000).

(b) Certain property, plant and equipment were pledged as securities for the Group's banking facilities. The details are set out in note 34 to the consolidated financial statements.

(c) Depreciation expense of US$4,986,000 (2008: US$3,702,000) was included in cost of goods sold and US$4,759,000 (2008: US$3,912,000) was charged in other operating expenses.

16 INVESTMENT PROPERTIES

	Group 2009 US$'000	2008 US$'000
At 1 April	**7,056**	1,455
Acquisition of subsidiary – Nanyang	**–**	5,487
Addition	**32**	–
Net gain from fair value adjustment	**101**	–
Reclassification to non-current assets held for sale	**(77)**	–
Exchange adjustments	**(888)**	114
At 31 March	**6,224**	7,056

The fair value of the Group's investment properties is analysed as follows:

	Group 2009 US$'000	2008 US$'000
In Malaysia, held on:		
Leases of over 50 years	**6,224**	7,056

Investment properties are stated at fair values, which have been determined based on valuations performed by Raine & Horne International Zaki + Partners Sdn Bhd, an accredited independent valuer. The fair values represent the amounts at which the assets could be exchanged between knowledgeable, willing parties in arm's length transactions at the dates of valuation.

The following amounts have been recognised in the consolidated income statement:

	Group 2009 US$'000	2008 US$'000
Rental income	**334**	123
Direct operating expenses arising from investment properties that generate rental income	**(33)**	(18)
	301	105

At 31 March 2009, the Group had future aggregate minimum rental receivables under non-cancellable operating leases as follows:

	Group 2009 US$'000	2008 US$'000
Within one year	**231**	280
Later than one year and no later than five years	**401**	69
	632	349

16 INVESTMENT PROPERTIES *(Continued)*

Particulars of the Group's investment properties as at 31 March 2009 are as follows:

	Location	Lease term	Uses	US$'000
1	V5-09-05, Block 5, Sri Palma Villa, Jalan KL-Seremban, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan, Malaysia	Freehold	Building (1 unit of service apartment)	30
2	PT12917 HS(D) 103390 (Ground Floor) Putra Indah A, Putra Nilai, 71800 Nilai, Negeri Sembilan, Malaysia	Freehold	Commercial building	101
3	59-1-2, Jalan TMR 2, Taman Melaka Raya, 75000 Melaka, Malaysia	99-year leasehold expiring in 2094	Commercial buildings	121
4	Lot 4173, Mukim Tebrau, 3, Jalan Riang 22/1, Taman Gembira, Tampoi, 81200 Johor Bahru, Malaysia	Freehold	Office buildings and factory buildings	247
5	Lot 25, Rawang Integrated Industrial Park, Jalan Batu Arang, 48000 Rawang, Selangor Darul Ehsan, Malaysia	Freehold	Office buildings and single storey factory building	4,248
6	AR09-F3A0, Ara Ria 09, Jalan UTL 9, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan, Malaysia	99-year leasehold expiring in 2099	Residential buildings	22
7	No. 11 Jalan Melor 1/4, Sungai Buloh Country Resort, 47000 Sungai Buloh, Selangor Darul Ehsan, Malaysia	99-year leasehold expiring in 2095	Residential buildings	48
8	No. 3, Lorong Kilang F, Kelombong, 88450 Kota Kinabalu, Sabah, Malaysia	Leasehold expiring in 2920	Office building	1,371
9	G-02, Ground Floor, Vista Impiana LP Apartment, Taman Bukit Serdang, Seksyen 10, Malaysia	99-year leasehold expiring in 2095	Apartment	36
				6,224

17 LEASEHOLD LAND AND LAND USE RIGHTS

	Group	
	2009	2008
	US$'000	US$'000
Cost		
At 1 April	**30,736**	28,534
Additions	**157**	–
Acquisition of subsidiary – Nanyang	**–**	1,830
Disposals	**–**	(381)
Exchange adjustments	**(1,494)**	753
At 31 March	**29,399**	30,736
Accumulated amortisation		
At 1 April	**6,474**	6,055
Charge for the year *(note (a))*	**647**	448
Disposals	**–**	(118)
Exchange adjustments	**(167)**	89
At 31 March	**6,954**	6,474
Net book value		
At 31 March	**22,445**	24,262

Notes:

(a) Amortisation expense of US$647,000 (2008: US$448,000) was included in other operating expenses in the consolidated income statement.

(b) The net book value of the Group's leasehold land and land use rights is analysed as follows:

	Group	
	2009	2008
	US$'000	US$'000
In Hong Kong, held on:		
Leases of between 10 to 50 years	**10,753**	11,006
In Malaysia, held on:		
Leases of between 10 to 50 years	**2,709**	2,761
Leases of over 50 years	**6,775**	8,233
In Mainland China, held on:		
Leases of between 10 to 50 years	**1,692**	1,737
Leases of over 50 years	**516**	525
	22,445	24,262

(c) Certain leasehold land and land use rights were pledged as securities for the Group's banking facilities. The details are set out in note 34 to the consolidated financial statements.

18 INTANGIBLE ASSETS AND GOODWILL

	Group				
	Archives, mastheads and publishing rights *(note (b))* US$'000	**Computer softwares** *(note (c))* US$'000	**Total intangible assets** US$'000	**Goodwill** *(note (d))* US$'000	**Total** US$'000
At 1 April 2007					
Cost	5,929	1,005	6,934	15,782	22,716
Accumulated amortisation	(840)	(94)	(934)	–	(934)
Net book value	5,089	911	6,000	15,782	21,782
Year ended 31 March 2008					
Opening net book value	5,089	911	6,000	15,782	21,782
Additions	–	133	133	–	133
Acquisition of subsidiary – Nanyang	20,516	603	21,119	–	21,119
Acquisition of equity interest from minority shareholders of Sin Chew	–	–	–	49,018	49,018
Amortisation expense *(note (a))*	(298)	(208)	(506)	–	(506)
Impairment charge	(4,792)	–	(4,792)	(3,302)	(8,094)
Exchange adjustments	1	67	68	952	1,020
Closing net book value	20,516	1,506	22,022	62,450	84,472
At 31 March 2008					
Cost	**26,487**	**1,825**	**28,312**	**65,752**	**94,064**
Accumulated amortisation and impairment	**(5,971)**	**(319)**	**(6,290)**	**(3,302)**	**(9,592)**
Net book value	**20,516**	**1,506**	**22,022**	**62,450**	**84,472**
Year ended 31 March 2009					
Opening net book value	**20,516**	**1,506**	**22,022**	**62,450**	**84,472**
Additions	**–**	**236**	**236**	**–**	**236**
Reclassification	**–**	**33**	**33**	**–**	**33**
Amortisation expense *(note (a))*	**(477)**	**(323)**	**(800)**	**–**	**(800)**
Impairment charge *(note (d)(iv))*	**(3,895)**	**–**	**(3,895)**	**–**	**(3,895)**
Exchange adjustments	**(2,555)**	**(180)**	**(2,735)**	**(7,830)**	**(10,565)**
Closing net book value	**13,589**	**1,272**	**14,861**	**54,620**	**69,481**
At 31 March 2009					
Cost	**23,845**	**1,854**	**25,699**	**57,931**	**83,630**
Accumulated amortisation and impairment	**(10,256)**	**(582)**	**(10,838)**	**(3,311)**	**(14,149)**
Net book value	**13,589**	**1,272**	**14,861**	**54,620**	**69,481**

18 INTANGIBLE ASSETS AND GOODWILL *(Continued)*

Notes:

(a) Amortisation expense of US$800,000 (2008: US$506,000) was included in other operating expenses in the consolidated income statement.

(b) Archives, mastheads and publishing rights acquired by the Group are stated in the balance sheet at fair value and are amortised using the straight-line basis over 15 to 40 years.

(c) Computer softwares, which are considered to have finite useful lives, are stated at cost less any impairment losses and are amortised using the straight-line basis over 5 to 10 years.

(d) Goodwill acquired through business combinations is allocated to cash-generating units ("CGUs") for the impairment testing. The allocation is made to those CGUs that are expected to benefit from the business combinations in which the goodwill arose.

The carrying amounts of goodwill are allocated to the following CGUs:

	Group	
	2009	2008
	US$'000	US$'000
Guang-Ming Ribao Sdn Bhd *(note (i))*	**10,976**	12,558
Mulu Press Sdn Bhd *(note (i))*	**498**	569
Sinchew-i Sdn Bhd *(note (i))*	**39**	44
Subsidiaries in Mainland China *(note (ii))*	**262**	261
Sin Chew Media Corporation Berhad *(note (iii))*	**42,845**	49,018
	54,620	62,450

The recoverable amount of each of these CGUs has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by management covering a five-year period. The projected growth rate does not exceed the long-term average growth rate for the business in which the CGU operates. Cash flows beyond the five-year period are extrapolated without considering any growth rate. Management determined budgeted gross margin based on past performance and its expectations for market development. The average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

Key assumptions used for the value-in-use calculations

	Average growth rate 2009	**Pre-tax discount rate 2009**
Goodwill of Guang-Ming Ribao Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of Mulu Press Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of Sinchew-i Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of subsidiaries in Mainland China *(note (ii))*	**25%**	**8.00%**
Goodwill of Sin Chew Media Corporation Berhad *(note (iii))*	**1%**	**8.77%**
Masthead of Nanyang Siang Pau *(note (iv))*	**2%**	**8.77%**

The value-in-use calculations for all the CGUs are most sensitive to these key assumptions, which included discount rates, raw materials price inflation and market share during the budget period.

With regard to the assessment of the value-in-use, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to materially exceed their respective recoverable amount.

18 INTANGIBLE ASSETS AND GOODWILL *(Continued)*

Notes: (Continued)

(d) *(Continued)*

(i) The goodwill comes from the acquisition of Guang-Ming Ribao Sdn Bhd, Mulu Press Sdn Bhd and Sinchew-i Sdn Bhd by Sin Chew in 2004.

(ii) The goodwill comes from the acquisition of the Group's subsidiaries in Mainland China in 2004.

(iii) 506,667,259 ordinary shares of HK$0.1 each were deemed to have been issued on 31 March 2008 for the acquisition of the remaining equity interest in Sin Chew from its minority shareholders. The purchase resulted in the Company recording a goodwill of US$49,018,000 as at 31 March 2008. At 31 March 2009, the goodwill amounted to US$42,845,000 after an exchange adjustment of US$6,173,000.

(iv) During the year ended 31 March 2009, the masthead of *Nanyang Siang Pau* impaired by US$3,895,000 due to the diminution in its fair value at the balance sheet date. The determination of fair value and the impairment are based on a discounted cash flow analysis using estimates and assumptions including the amount and timing of future interest rates. The impairment was primarily attributable to the significant decrease in actual and forecasted revenue of *Nanyang Siang Pau*.

19 INTERESTS IN SUBSIDIARIES

	Company	
	2009	2008
	US$'000	US$'000
Non-current		
Unlisted shares, at cost *(note (a))*	**466,667**	384,553
Less: provision for impairment	**(36,126)**	(36,126)
	430,541	348,427
Current		
Amounts due from subsidiaries *(note (b))*		
Interest-free	**979**	86,310

Notes:

(a) On 1 April 2008, an amount of approximately US$82,114,000 due by Ming Pao International Investment Limited ("MPII"), a wholly-owned subsidiary of the Company, was capitalised in exchange for new shares issued, allotted and credited as fully paid up by MPII to the Company. The amount was in nature a long-term funding to MPII as it had been long outstanding, unsecured and non-interest bearing.

(b) At 31 March 2009, the amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand (2008: Same).

At 31 March 2009, the carrying amounts of the amounts due from subsidiaries approximated their fair values.

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

20 FINANCIAL INSTRUMENTS BY CATEGORY

	Group				Company
	Loans and receivables	Assets at fair value through profit or loss	Available-for-sale financial assets	Total	Loans and receivables
	US$'000	US$'000	US$'000	US$'000	US$'000
Assets					
At 31 March 2009					
Available-for-sale financial assets *(note 25)*	**–**	**–**	**646**	**646**	**–**
Trade receivables *(note 26)*	**48,044**	**–**	**–**	**48,044**	**–**
Deposits and other receivables	**6,929**	**–**	**–**	**6,929**	**46**
Other financial assets at fair value through profit or loss *(note 22)*	**–**	**221**	**–**	**221**	**–**
Amounts due from subsidiaries *(note 19)*	**–**	**–**	**–**	**–**	**979**
Cash and cash equivalents *(note 27)*	**70,205**	**–**	**–**	**70,205**	**42**
Total	**125,178**	**221**	**646**	**126,045**	**1,067**
At 31 March 2008					
Available-for-sale financial assets *(note 25)*	–	–	644	644	–
Trade receivables *(note 26)*	66,490	–	–	66,490	–
Deposits and other receivables	3,949	–	–	3,949	–
Other financial assets at fair value through profit or loss *(note 22)*	–	1,404	–	1,404	–
Amounts due from subsidiaries *(note 19)*	–	–	–	–	86,310
Cash and cash equivalents *(note 27)*	76,559	–	–	76,559	47
Total	146,998	1,404	644	149,046	86,357

20 FINANCIAL INSTRUMENTS BY CATEGORY *(Continued)*

	Group	Company
	Financial liabilities	**Financial liabilities**
	US$'000	US$'000
Liabilities		
At 31 March 2009		
Bank overdrafts, secured *(note 27)*	**2,428**	**–**
Short-term bank loans *(note 31)*	**14,579**	**–**
Bank loans, secured *(note 32)*	**2,296**	**–**
Obligations under finance leases *(note 32)*	**1,213**	**–**
Trade and other payables	**37,053**	**1,584**
Amounts due to subsidiaries	**–**	**6,339**
Total	**57,569**	**7,923**
At 31 March 2008		
Bank overdrafts, secured *(note 27)*	2,962	–
Short-term bank loans *(note 31)*	24,414	–
Bank loans, secured *(note 32)*	10,188	–
Obligations under finance leases *(note 32)*	1,723	–
Trade and other payables	49,788	2,209
Total	89,075	2,209

21 INVESTMENT IN AN ASSOCIATE

	Group	
	2009	2008
	US$'000	US$'000
Unquoted shares at cost	**–**	3,202
Less: accumulated impairment loss	**–**	(3,202)
	–	–

At an extraordinary general meeting of Channel K TV Pte Ltd ("KTV"), an associate of the Company, held on 23 May 1997, KTV was put into voluntary winding up and the company was subsequently dissolved.

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2009	2008
	US$'000	US$'000
Listed equity securities in Hong Kong, at market value *(note (a))*	**221**	276
Equity linked notes *(note (b))*	**–**	1,128
	221	1,404
Less: non-current portion	**–**	(1,128)
	221	276

Notes:

(a) The investments were acquired principally for the purpose of selling in the short-term.

(b) The instruments were designated by management as financial assets at fair value through profit or loss on initial recognition as the management was not able to measure the embedded derivatives separately either at acquisition or at a subsequent financial reporting date and the embedded derivatives of the instruments could significantly modify the cash flows that would otherwise be required by the instruments.

As these instruments are not publicly traded and in the absence of readily available information to determine the fair values of these instruments, the Group has adopted the quotations provided by the issuers as its best estimate of the fair values of these instruments.

(c) Fair value losses on the equity linked notes and the listed equity securities at 31 March 2009 of US$1,128,000 and US$56,000 respectively (2008: fair value loss on equity linked notes and fair value gain of listed equity securities of US$346,000 and US$24,000 respectively) are recognised as other gains in the consolidated income statement.

(d) The maximum exposure to credit risk of the financial assets at fair value through profit or loss at the reporting date is equal to the fair values of the respective assets.

23 DEFINED BENEFIT PLAN ASSETS

The Group operates a number of staff retirement schemes which include a hybrid retirement benefit scheme (the "Scheme") for its employees in Hong Kong.

(a) The Scheme has three categories of members: Regular Member, Special Member and Defined Benefit ("DB") Member

Regular Member	–	defined contribution type of benefits based on accumulated contributions and investment gains and losses thereon.
Special Member	–	benefits based on final salary and service period or accumulated employer's contributions with credited investment gains and losses, whichever is higher.
DB Member	–	benefits based on final salary and service period only.

Members are also required to contribute monthly at 5% of their basic monthly salaries to the Scheme. The accumulated members' contributions with investment gains and losses will be paid to the members upon their leaving the employment in addition to the benefits described above.

(b) Defined benefit schemes for Special Member and DB Member

Pension costs are assessed using the projected unit credit method. The pension costs are charged to the consolidated income statement so as to spread the regular costs over the service lives of employees. A full valuation of the defined benefit scheme based on the projected unit credit method has been carried out by Watson Wyatt Hong Kong Limited, an independent qualified actuary, and the pension costs are charged to the consolidated income statement in accordance with its advice.

The limit of net assets to be recognised is disclosed as follows:

	Group	
	2009	2008
	US$'000	US$'000
Present value of available future refunds or reductions in future contributions	**–**	579

As at 31 March 2009, the limit of net liabilities amounted to US$85,000. The liability has been included in long-term liabilities in the consolidated balance sheet (note 32).

The amounts recognised in the consolidated balance sheet are determined as follows:

	Group	
	2009	2008
	US$'000	US$'000
Fair value of plan assets	**3,811**	5,972
Present value of funded obligations	**(3,896)**	(5,393)
(Liabilities)/assets in the consolidated balance sheet	**(85)**	579

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

Reconciliation of the fair value of plan assets is as follows:

	Group	
	2009	2008
	US$'000	US$'000
Fair value of the assets at the beginning of the year	**5,972**	6,042
Company contributions	**80**	70
Expected return on plan assets	**411**	425
Actual benefits paid	**(223)**	(310)
Actuarial losses on plan assets	**(2,443)**	(255)
Exchange difference	**14**	–
Fair value of the assets at the end of the year	**3,811**	5,972

Reconciliation of the present value of the defined benefit obligations is as follows:

	Group	
	2009	2008
	US$'000	US$'000
Present value of obligations at the beginning of the year	**5,393**	4,623
Current service costs	**203**	198
Interest cost	**137**	195
Actual benefits paid	**(223)**	(310)
Actuarial (gain)/losses on obligations	**(1,626)**	687
Exchange difference	**12**	–
Present value of the obligations at the end of the year	**3,896**	5,393

The amounts recognised in the consolidated income statement are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Current service costs	**(203)**	(198)
Interest cost	**(137)**	(195)
Expected return on plan assets	**411**	425
Total pension income, included in employee benefit expense *(note 13)*	**71**	32

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

The amounts recognised in the consolidated statement of recognised income and expense are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Cumulative amount of actuarial losses at the beginning of the year	**1,693**	751
Actuarial losses during the year	**817**	942
Exchange difference	**(2)**	–
Cumulative amount of actuarial losses at the end of the year	**2,508**	1,693

The actual return on plan assets was a loss of US$1,858,000 (2008: gain of US$319,000).

Movements in the (liabilities)/assets recognised in the consolidated balance sheet:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**579**	1,419
Total pension income recognised in the consolidated income statement	**71**	32
Actuarial losses recognised in the consolidated statement of recognised income and expense	**(817)**	(942)
Contributions paid	**80**	70
Exchange difference	**2**	–
At 31 March	**(85)**	579

The principal actuarial assumptions used were as follows:

	Group	
	2009	2008
Discount rate	**1.9%**	2.6%
Expected rate of return on plan assets	**7%**	7%
Expected rate of future salary increases		
2008	**–**	3%
2009	**–**	4%
2010 and onwards	**4%**	4%

Expected contributions to the defined benefit plan for the year ending 31 March 2010 are US$346,000.

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

Other disclosure figures for the current and previous years are as follows:

	Group			
	2009	2008	2007	2006
	US$'000	US$'000	US$'000	US$'000
At 31 March				
Present value of defined benefit obligations	**(3,896)**	(5,393)	(4,623)	(3,865)
Fair value of the plan assets	**3,811**	5,972	6,042	5,254
(Deficit)/Surplus	**(85)**	579	1,419	1,389
Experience adjustments on the defined benefit obligations	**1,874**	92	(424)	(309)
Experience adjustments on the plan assets	**(2,445)**	(255)	441	338

The plan assets are managed by independent investment managers and are invested in unit trusts based on the long-term benchmark allocation of 70% in equities and 30% in bonds. After allowing for the administration expenses, an expected long-term rate of return of 7% per annum is adopted.

24 INVENTORIES

	Group	
	2009	2008
	US$'000	US$'000
Raw materials	**41,311**	49,928
Finished goods	**637**	603
	41,948	50,531

Raw materials and consumables recognised as expenses and included in cost of goods sold amounted to US$120,092,000 (2008: US$91,364,000).

25 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**644**	605
Additions	**–**	39
Exchange difference	**2**	–
At 31 March	**646**	644
Less: non-current portion	**–**	–
Current portion	**646**	644

There were no disposals or impairment provisions on available-for-sale financial assets during the years ended 31 March 2009 and 2008.

Available-for-sale financial assets included the following:

	Group	
	2009	2008
	US$'000	US$'000
Unlisted club debentures	**646**	644

Available-for-sale financial assets were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
HK dollars	**646**	644

At 31 March 2009, the carrying value of the unlisted club debentures approximated their fair value.

A significant or prolonged decline in fair value below cost is considered as an indicator of impairment. If any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value less any impairment loss previously recognised in the consolidated income statement – is removed from equity and recognised in the consolidated income statement.

26 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables	**52,226**	72,016	**–**	–
Less: provision for impairment of trade receivables	**(4,182)**	(5,526)	**–**	–
Trade receivables, net *(note)*	**48,044**	66,490	**–**	–
Deposits and prepayments	**6,929**	7,197	**46**	33
Other receivables	**4,007**	3,209	**–**	–
	58,980	76,896	**46**	33

At 31 March 2009, the carrying amounts of trade and other receivables approximated their fair values.

Note: The Group allows in general a credit period ranging from 7 days to 120 days to its trade customers. At 31 March 2009 the ageing analysis of the Group's net trade receivables was as follows:

	Group	
	2009	2008
	US$'000	US$'000
0 to 60 days	**36,871**	46,826
61 to 120 days	**8,453**	13,964
121 to 180 days	**1,726**	4,136
Over 180 days	**994**	1,564
	48,044	66,490

The carrying amounts of net trade receivables were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**31,724**	42,569
HK dollars	**10,148**	14,248
Canadian dollars	**2,908**	5,057
US dollars	**1,655**	1,923
Renminbi	**1,430**	2,022
Others	**179**	671
	48,044	66,490

26 TRADE AND OTHER RECEIVABLES *(Continued)*

Note: *(Continued)*

The Group has trade receivables from customers engaged in various industries and who are not concentrated in any specific geographical area. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis to reduce the Group's exposure to bad debts. The credit period on trade receivables depending on the business area is 7 to 120 days.

At 31 March 2009, trade receivables that are neither past due nor impaired amounted to US$29,956,000 (2008: US$42,738,000), which represents about 62% (2008: 64%) of the net trade receivables balance. These balances relate to a wide range of customers for whom there was no recent history of default.

During the year ended 31 March 2009, the Group has recognised a loss of US$245,000 (2008: US$2,148,000) for the impairment of its trade receivables and directly written off an amount of US$67,000 (2008: US$84,000) as bad debts. The loss was included in selling and distribution expenses in the consolidated income statement.

As 31 March 2009, the ageing analysis of trade receivables that are past due but not impaired was as follows:

	Group	
	2009	2008
	US$'000	US$'000
Overdue by		
0 to 60 days	**9,952**	17,095
61 to 120 days	**6,699**	4,814
121 to 180 days	**1,226**	1,255
Over 180 days	**211**	588
	18,088	23,752

Movements in the provision for impairment of trade receivables were as follows:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**5,526**	3,052
Provision for impairment of receivables	**1,745**	3,468
Receivables written off during the year as uncollectible	**(968)**	(1,985)
Unused amounts reversed	**(1,500)**	–
Amounts collected subsequently	**–**	(1,320)
Acquisition of subsidiary – Nanyang	**–**	2,142
Exchange adjustments	**(621)**	169
At 31 March	**4,182**	5,526

The creation and release of provision for impaired receivables have been included in selling and distribution expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Deposits, prepayments and other receivables within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk as at 31 March 2009 was the carrying value of trade and other receivables.

Certain trade receivables amounting to US$7,912,000 (2008: US$6,653,000) were secured by deposits and bank guarantees provided by the customers.

27 CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank and in hand	**22,679**	18,397	**42**	47
Short-term bank deposits	**47,526**	58,162	**–**	–
	70,205	76,559	**42**	47
Maximum exposure to credit risk	**70,092**	76,392	**42**	47

The effective interest rates on short-term bank deposits ranged from 1.5% to 2% (2008: 3.19% to 4.02%) per annum; these deposits have an average maturity of 3 to 30 days (2008: 6 to 26 days).

Cash, cash equivalents and bank overdrafts included the following for the purpose of the consolidated cash flow statements:

	Group	
	2009	2008
	US$'000	US$'000
Cash and cash equivalents	**70,205**	76,559
Bank overdrafts, secured	**(2,428)**	(2,962)
	67,777	73,597

The carrying amounts of cash and cash equivalents were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
HK dollars	**23,100**	29,392
Ringgit Malaysia	**40,392**	38,701
Renminbi	**2,823**	3,704
US dollars	**2,665**	3,215
Canadian dollars	**558**	611
Others	**667**	936
	70,205	76,559

Included in the cash and cash equivalents of the Group were cash and bank deposits denominated in Renminbi and Ringgit Malaysia placed with banks in Mainland China and Malaysia amounting to US$2,823,000 and US$40,392,000 respectively (2008: US$3,704,000 and US$38,701,000 respectively), of which the currencies are subject to foreign exchange controls.

28 TRADE AND OTHER PAYABLES

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Trade payables *(note)*	**18,736**	20,267	**–**	–
Accrued charges	**20,191**	28,729	**1,584**	2,209
Subscriptions received in advance	**11,283**	9,986	**–**	–
	50,210	58,982	**1,584**	2,209

At 31 March 2009, the carrying amounts of trade and other payables approximated their fair values.

Note: At 31 March 2009, the ageing analysis of the Group's trade payables was as follows:

	Group	
	2009	2008
	US$'000	US$'000
0 to 60 days	**15,257**	16,494
61 to 120 days	**1,853**	1,769
121 to 180 days	**391**	764
Over 180 days	**1,235**	1,240
	18,736	20,267

29 SHARE CAPITAL

	Authorised share capital Ordinary shares of HK$0.10 each	
	No. of shares	US$'000
At 31 March 2008	2,500,000,000	32,175
At 31 March 2009	**2,500,000,000**	**32,175**

	Number of ordinary shares	**Issued share capital**	**Share premium**	**Total**
		US$'000	US$'000	US$'000
At 1 April 2007	404,435,000	5,205	13,480	18,685
Repurchase of ordinary shares	(3,166,000)	(41)	(707)	(748)
Exercise of share options	206,000	3	36	39
At 31 March 2008	**401,475,000**	**5,167**	**12,809**	**17,976**
Shares issued as consideration for the exchange of all the ordinary shares of Sin Chew and Nanyang *(note (a))*	**1,284,815,241**	**16,534**	**267,877**	**284,411**
Repurchase of ordinary shares *(note (b))*	**(2,482,000)**	**(31)**	**(541)**	**(572)**
Exercise of share options (*note (c)*)	**90,000**	**2**	**15**	**17**
At 31 March 2009	**1,683,898,241**	**21,672**	**280,160**	**301,832**

29 SHARE CAPITAL *(Continued)*

Notes:

(a) On 23 April 2008, 1,015,976,055 new ordinary shares of the Company of HK$0.1 each were allotted to the shareholders of Sin Chew as consideration for the exchange of all the ordinary shares of RM0.5 each in the issued share capital of Sin Chew; and 268,839,186 new ordinary shares of the Company of HK$0.1 each were allotted to the shareholders of Nanyang as consideration for the exchange of all the ordinary shares of RM1 each in the issued share capital of Nanyang.

Also on 23 April 2008, the approval granted by the HK Stock Exchange for the listing of and permission to deal in up to a total of 1,294,208,797 new shares (assuming full exercise of the outstanding options issued under Nanyang's employee share option scheme before completion of the merger of the Company, Sin Chew and Nanyang) issued to the shareholders of Sin Chew and Nanyang in exchange for Sin Chew shares and Nanyang shares, respectively, has become unconditional.

The Company's admission to the Official List of Bursa Securities and the listing of and quotation for the new shares on the main board of Bursa Securities took effect from 30 April 2008.

As such, from 30 April 2008, shareholders are entitled to trade the shares of the Company on both the HK Stock Exchange and Bursa Securities subject to the procedures as set out in the Company's circular dated 9 January 2008.

(b) During the current year under review, the Company repurchased a total of 2,482,000 (2008: 3,166,000) of its listed shares on the HK Stock Exchange for the purpose of enhancing the net asset value per share of the Company. Details of the repurchases are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest	Lowest	Aggregate purchase consideration	Equivalents in
		HK$	HK$	HK$	US$
April 2008	600,000	2.20	1.85	1,285,000	164,908
May 2008	50,000	2.00	2.00	100,000	12,821
June 2008	780,000	2.05	1.99	1,565,830	200,565
October 2008	1,050,000	1.54	1.22	1,526,546	193,713
December 2008	2,000	1.22	1.22	2,440	330
	2,482,000			4,479,816	572,337

(c) Pursuant to a share option scheme (the "MCI Scheme") approved at the Special General Meeting of the Company held on 21 August 2001 and for the primary purpose of providing incentive to full time employees, the directors of the Company may at their discretion invite full time employees including executive directors of the Company and its subsidiaries to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The maximum individual entitlement of options shall not exceed 25% of the maximum aggregate number of shares in the capital of the Company in respect of which options may at that time be granted under the MCI Scheme. The maximum number of shares in respect of which options may be granted (together with options exercised and options then outstanding) under the MCI Scheme may not exceed 10% of the issued share capital of the Company from time to time excluding (i) any shares which have been duly allotted and issued pursuant to the MCI Scheme and other schemes; and (ii) any pro-rata entitlements to further shares issued in respect of those shares mentioned in (i). The MCI Scheme will remain valid for a period of ten years commencing on 21 August 2001 after which period no further options will be offered. The offer of a grant of share option may be accepted within 28 days from the date of offer upon payment of a nominal consideration of HK$1.00 by the grantee. Options granted are exercisable at any time within ten years after the date of grant or ten years after the adoption date of the MCI Scheme (i.e. 20 August 2011), whichever is earlier.

Pursuant to the new requirements of the Listing Rules of the HK Stock Exchange governing share option schemes which came into effect on 1 September 2001, certain provisions of the MCI Scheme were no longer applicable which included the basis of determining the subscription price. According to the HK Listing Rules, the share subscription price will be determined as the highest of (i) the nominal value of the shares of the Company, (ii) the average of the closing prices of the shares of the Company as stated in the daily quotation sheet by the HK Stock Exchange on the five trading days immediately preceding the granting of the options, and (iii) the closing price of the shares of the Company as stated in the daily quotation sheet by the HK Stock Exchange on the date of grant of the share options.

29 SHARE CAPITAL *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2009			2008		
	Average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.597**	**0.206**	**4,590,000**	1.591	0.205	4,843,000
Exercised	**1.411**	**0.182**	**(90,000)**	1.476	0.190	(206,000)
Lapsed	**1.592**	**0.205**	**(200,000)**	1.592	0.205	(47,000)
At 31 March	**1.601**	**0.207**	**4,300,000**	1.597	0.206	4,590,000

At 31 March 2009, all of the 4,300,000 outstanding options (2008: 4,590,000 options) were exercisable. Options exercised in 2009 resulted in 90,000 shares being issued at an average exercise price of HK$1.411 (US$0.182) each (2008: 206,000 shares at an average exercise price of HK$1.476 (US$0.190) each). The related weighted average share price at the time of exercise was HK$2.513 (US$0.324) per share.

All share options outstanding at the end of the year have the expiry date of 20 August 2011 and with the following exercise prices:

		Number of outstanding share options	
Exercise price per share in HK$	**Equivalents in US$**	**2009**	2008
1.320	0.170	**779,000**	839,000
1.592	0.205	**2,321,000**	2,551,000
1.800	0.232	**1,200,000**	1,200,000
		4,300,000	4,590,000

Under the specific transitional provisions of IFRS 2, an exemption from the treatment of equity-settled share-based payment transactions as required under IFRS 2 is allowed to shares, share options or other equity instruments which were granted before 7 November 2002 and had been vested by 1 January 2005. As such no share compensation expenses were recognised by the Group in relation to the above-mentioned share options.

The subsidiary of the Company, OMG, has two share option schemes. A pre-IPO share option scheme ("Pre-IPO Scheme") was approved and adopted by shareholders on 26 September 2005 ("Adoption Date"). Another share option scheme ("Post-IPO Scheme") was also approved on the same date, 26 September 2005 by the shareholders of OMG. The principal terms of the Pre-IPO Scheme are substantially the same as the terms of the Post-IPO Scheme (where applicable) except for the following principal terms: (a) the subscription price per share was the final Hong Kong dollar price per share at which shares of OMG were to be sold in an offer for sale in Hong Kong on its listing date; and (b) no options will be offered or granted upon the commencement of dealings in the shares of OMG on the HK Stock Exchange.

29 SHARE CAPITAL *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

Pursuant to the Pre-IPO Scheme and Post-IPO Scheme, the board of OMG may, at its absolute discretion, grant share options to any full time employees, executive and non-executive directors (including independent non-executive directors) of OMG or the Company (for so long as OMG remains a subsidiary of the Company) to subscribe for shares in OMG subject to the terms and conditions stipulated therein.

The period within which an option may be exercised under each of the Pre-IPO Scheme and Post-IPO Scheme will be determined and notified by the board of OMG in its absolute discretion (subject to any vesting periods, if applicable), save that no option may be exercised later than 10 years from the date of offer of the option or 10 years after the Adoption Date, whichever is earlier.

Movements in the number of outstanding share options of OMG's Pre-IPO Scheme and the average exercise prices are as follows:

	2009			2008		
	Average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.200**	**0.155**	**13,778,000**	1.200	0.154	14,082,000
Lapsed	**1.200**	**0.155**	**(1,240,000)**	1.200	0.154	(304,000)
At 31 March	**1.200**	**0.155**	**12,538,000**	1.200	0.154	13,778,000

The above share options were conditionally granted on 27 September 2005 and the exercisable period is from 18 October 2005 to 25 September 2015 with 7,878,000 share options being exercisable as at 31 March 2009 (2008: 6,068,000 share options).

The fair value of options granted under the Pre-IPO Scheme was determined using the Binomial Option valuation model and amounted to US$821,000. The significant inputs into the model were share price of HK$1.200 (US$0.154) (being the IPO and placing share price of OMG), volatility of the underlying stock of 48% (being the volatility of the stock returns of listed companies in the media industry in Hong Kong), risk-free interest rate of 4.16% (being the yield of 10-year fund note issued by the Hong Kong Monetary Authority as at 23 September 2005, forfeiture rate of 5.7% per annum (with reference to historical staff turnover rates of OMG, its subsidiaries, fellow subsidiaries and related companies), and suboptimal exercise factor of 1.4 (being the factor to account for the early exercise behavior of the share option).

Share compensation costs on share options granted are amortised over the vesting periods of one year or five years in accordance with terms specified in the Pre-IPO Scheme. For the year ended 31 March 2009, US$91,000 (2008: US$229,000) was recognised in the consolidated income statement.

As at 31 March 2009, no option has been granted or agreed to be granted under the Post-IPO Scheme.

30 RESERVES

Group

	Attributable to equity holders of the Company											
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Merger reserve US$'000	Capital reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000	Retained earnings US$'000	Minority interest US$'000	Total US$'000
At 1 April 2008	152	7,480	417	(92,647)	284,411	(2,168)	(1,693)	602	196,554	106,746	7,952	311,252
Exchange adjustments	–	(33,640)	–	–	–	–	–	–	(33,640)	–	13	(33,627)
Actuarial losses of defined benefit plan assets	–	–	–	–	–	–	(817)	–	(817)	–	–	(817)
Actuarial losses of long service payment obligations	–	–	–	–	–	–	–	(439)	(439)	–	(23)	(462)
Net expense recognised directly in equity	–	(33,640)	–	–	–	–	(817)	(439)	(34,896)	–	(10)	(34,906)
Profit for the year	–	–	–	–	–	–	–	–	–	16,790	565	17,355
Total recognised (expense)/income for the year	–	(33,640)	–	–	–	–	(817)	(439)	(34,896)	16,790	555	(17,551)
Repurchase of ordinary shares	31	–	–	–	–	–	–	–	31	(31)	–	–
Shares issued as consideration for the exchange of all ordinary shares of Sin Chew and Nanyang	–	–	–	–	(284,411)	–	–	–	(284,411)	–	–	(284,411)
Distribution of assets by a subsidiary	–	–	–	–	–	–	–	–	–	–	(47)	(47)
Share compensation costs on share options granted by a listed subsidiary	–	–	56	–	–	–	–	–	56	–	35	91
2007–2008 final dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	(191)	(191)
2007–2008 second interim dividend paid	–	–	–	–	–	–	–	–	–	(15,275)	–	(15,275)
2008–2009 interim dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	(115)	(115)
2008–2009 first interim dividend paid	–	–	–	–	–	–	–	–	–	(7,578)	–	(7,578)
At 31 March 2009	183	(26,160)	473	(92,647)	–	(2,168)	(2,510)	163	(122,666)	100,652	8,189	(13,825)

Representing:	
2008–2009 second interim dividend proposed in lieu of a final dividend *(note 11)*	2,408
Others	98,244
Retained earnings at 31 March 2009	100,652

30 RESERVES *(Continued)*

	Group												
	Attributable to equity holders of the Company												
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Asset revaluation surplus US$'000	Merger reserve US$'000	Capital reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000	Retained earnings US$'000	Minority interest US$'000	Total US$'000
At 1 April 2007	111	1,655	273	2,701	(92,647)	112,743	(2,168)	(751)	561	22,478	92,536	59,367	174,381
Exchange adjustments	–	5,825	–	–	–	–	–	–	–	5,825	–	4,637	10,462
Actuarial losses of defined benefit plan assets	–	–	–	–	–	–	–	(942)	–	(942)	–	–	(942)
Actuarial gains of long service payment obligations	–	–	–	–	–	–	–	–	41	41	–	(2)	39
Net income recognised directly in equity	–	5,825	–	–	–	–	–	(942)	41	4,924	–	4,635	9,559
Profit for the year	–	–	–	–	–	–	–	–	–	–	19,188	12,764	31,952
Total recognised income for the year	–	5,825	–	–	–	–	–	(942)	41	4,924	19,188	17,399	41,511
Acquisition of equity interest from minority shareholders of Sin Chew	–	–	–	–	–	112,157	–	–	–	112,157	–	(65,041)	47,116
Repurchase of ordinary shares	41	–	–	–	–	–	–	–	–	41	(41)	–	–
Write off of asset revaluation surplus	–	–	–	(2,701)	–	–	–	–	–	(2,701)	–	–	(2,701)
Acquisition of Nanyang	–	–	–	–	–	59,511	–	–	–	59,511	–	73	59,584
Share compensation costs on share options granted by a listed subsidiary	–	–	144	–	–	–	–	–	–	144	–	85	229
2006-2007 final dividend paid by Sin Chew	–	–	–	–	–	–	–	–	–	–	(3,900)	(3,881)	(7,781)
2006-2007 final dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	–	(50)	(50)
2007-2008 first interim dividend paid	–	–	–	–	–	–	–	–	–	–	(1,037)	–	(1,037)
At 31 March 2008	152	7,480	417	–	(92,647)	284,411	(2,168)	(1,693)	602	196,554	106,746	7,952	311,252

	US$'000
Representing:	
2007–2008 second interim dividend proposed in lieu of a final dividend *(note 11)*	15,610
Others	91,136
Retained earnings at 31 March 2008	106,746

30 RESERVES *(Continued)*

	Company					
	Capital redemption reserve	**Exchange fluctuation reserve**	**Capital reserve**	**Contributed surplus**	**Total**	**Retained earnings**
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 April 2008	**152**	**–**	**284,411**	**25,789**	**310,352**	**104,385**
Exchange adjustments	**–**	**(4)**	**–**	**–**	**(4)**	**–**
Repurchase of ordinary shares	**31**	**–**	**–**	**–**	**31**	**(31)**
Shares issued as consideration for the exchange of all ordinary shares of Sin Chew and Nanyang	**–**	**–**	**(284,411)**	**–**	**(284,411)**	**–**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**14,384**
2007–2008 second interim dividend paid	**–**	**–**	**–**	**–**	**–**	**(15,275)**
2008–2009 first interim dividend paid	**–**	**–**	**–**	**–**	**–**	**(7,578)**
At 31 March 2009	**183**	**(4)**	**–**	**25,789**	**25,968**	**95,885**
Representing:						
2008–2009 second interim dividend proposed in lieu of a final dividend *(note 11(b))*						**2,408**
Others						**93,477**
Retained earnings at 31 March 2009						**95,885**
At 1 April 2007	111	–	–	25,789	25,900	105,803
Repurchase of ordinary shares	41	–	–	–	41	(41)
Loss for the year	–	–	–	–	–	(340)
2007–2008 first interim dividend paid	–	–	–	–	–	(1,037)
Acquisition of Sin Chew	–	–	224,900	–	224,900	–
Acquisition of Nanyang	–	–	59,511	–	59,511	–
At 31 March 2008	152	–	284,411	25,789	310,352	104,385
Representing:						
2007–2008 second interim dividend proposed in lieu of a final dividend *(note 11(c))*						15,610
Others						88,775
Retained earnings at 31 March 2008						104,385

The contributed surplus of the Company arose when the Company issued shares in exchange for the shares of subsidiaries being acquired, and represented the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the equity holders of the Company. At Group level, the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries.

31 SHORT-TERM BANK LOANS

	Group	
	2009	2008
	US$'000	US$'000
Trust receipt loans, secured	**871**	–
Bankers' acceptances, unsecured	**7,875**	16,956
Revolving credits, unsecured	**5,833**	7,458
	14,579	24,414

The carrying amounts of short-term bank loans were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**13,708**	24,414
US dollars	**871**	–
	14,579	24,414

Trust receipt loans have a term of up to 120 days. The effective interest rate on trust receipt loans was 3.38% (2008: 7.44%) per annum.

The bankers' acceptances were unsecured, interest-bearing at rates ranging from 0.50% to 0.75% above the bankers' annual costs of funds. The effective interest rate on bankers' acceptances was 3.66% (2008: Nil) per annum.

The revolving credits were unsecured, interest-bearing at rates ranging from 0.50% to 1.00% above the KLIBOR per annum.

At 31 March 2009, the carrying amounts of short-term bank loans approximated their fair values.

32 LONG-TERM LIABILITIES

	Group	
	2009	2008
	US$'000	US$'000
Bank loans, secured *(note (a))*	**2,296**	10,188
Obligations under finance leases *(note (b))*	**1,213**	1,723
Retirement benefit obligations *(note (c))*	**1,552**	1,002
Defined benefit obligations *(note 23)*	**85**	–
	5,146	12,913
Current portion of long-term liabilities	**(2,074)**	(6,460)
	3,072	6,453

32 LONG-TERM LIABILITIES *(Continued)*

Notes:

(a) At 31 March 2009, the Group's secured bank loans were repayable as follows:

	Group 2009 US$'000	2008 US$'000
Within one year	**1,602**	5,784
In the second year	**694**	3,611
In the third to fifth year	**–**	793
	2,296	10,188

The carrying amounts of the secured bank loans were denominated in the following currencies:

	Group 2009 US$'000	2008 US$'000
Ringgit Malaysia	**2,296**	9,930
US dollars	**–**	258
	2,296	10,188

At 31 March 2009, the carrying amounts of the secured bank loans approximated their fair values.

At 31 March 2009, the Group's secured bank loans were analysed as follows:

	Group 2009 US$'000	2008 US$'000
Floating rate		
within one year	**1,602**	5,526
in the second year	**694**	3,611
in the third to fifth year	**–**	793
Fixed rate		
within one year	**–**	258
	2,296	10,188

The effective interest rates on the secured bank loans ranged from 5.50% to 6.80% per annum during the year ended 31 March 2009 (2008: 4.70% to 6.80%).

(b) At 31 March 2009, the Group's finance lease liabilities were repayable as follows:

	Group 2009 US$'000	2008 US$'000
Finance lease liabilities minimum lease payment		
within one year	**443**	678
in the second year	**325**	451
in the third to fifth year	**580**	796
	1,348	1,925
Future finance charges on finance leases	**(135)**	(202)
Present value of finance lease liabilities	**1,213**	1,723

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(b) *(Continued)*

The present value of finance lease liabilities was repayable as follows:

	Group	
	2009	2008
	US$'000	US$'000
Within one year	**385**	597
In the second year	**273**	397
In the third to fifth year	**555**	729
Present value of finance lease liabilities	**1,213**	1,723

The carrying amounts of finance lease liabilities were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**127**	248
Canadian dollars	**1,086**	1,475
	1,213	1,723

The effective interest rates on the finance lease liabilities ranged from 2.35% to 6.54% per annum during the year ended 31 March 2009 (2008: 2.35% to 9.43%).

At 31 March 2009, the Group has the following finance lease liabilities:

	Group	
	2009	2008
	US$'000	US$'000
Floating rate		
within one year	**305**	495
in the second year	**238**	305
in the third to fifth year	**543**	675
Fixed rate		
within one year	**80**	102
in the second year	**35**	92
in the third to fifth year	**12**	54
	1,213	1,723

At 31 March 2009, the carrying amounts of finance lease liabilities approximated their fair value (2008: same), which were based on cash flows discounted using rates based on the borrowing rates ranged from 2.35% to 6.54% per annum (2008: 2.35% to 9.43%).

(c) Retirement benefit obligations represent the present value of the Group's obligations under the following:

(i) the long service payments and respective actuarial gains for its employees in Hong Kong; and

(ii) an unfunded, defined benefit retirement benefit scheme (the "Malaysia Scheme") for its eligible employees in Malaysia.

The movement during the year was the net-off of current service costs and interest on obligation against long service payments made during the year. Current service costs and interest on obligations have been recognised during the year and included in employee benefit expense (note 13).

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

The amounts recognised in the consolidated balance sheet were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Present value of the obligations	**1,552**	1,002

The obligations are analysed as follows:

	Group	
	2009	2008
	US$'000	US$'000
Within one year	**87**	79
In the second to fifth year	**319**	380
Over five years	**1,146**	543
	1,552	1,002

Movements in the obligations during the year were as follows:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**1,002**	188
Current service costs	**198**	12
Interest cost	**41**	7
Long service payments made	**(52)**	(9)
Actuarial losses/(gains) of long service payment obligations	**462**	(39)
Acquisition of subsidiary – Nanyang	**–**	843
Exchange difference	**(99)**	–
At 31 March	**1,552**	1,002

The amounts recognised in the consolidated statement of recognised income and expense were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Cumulative amount of actuarial gains at the beginning of the year	**596**	557
Net actuarial (losses)/gains during the year	**(462)**	39
Cumulative amount of actuarial gains at the end of the year	**134**	596

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

The amounts recognised in the consolidated income statement were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Current service costs	**198**	12
Interest cost	**41**	7
Total included in employee benefit expense *(note 13)*	**239**	19

The principal actuarial assumptions used were as follows:

For long service payment obligations

	Group	
	2009	2008
Average future working lifetime (in years)	**17**	16
Discount rate	**1.9%**	2.6%
Expected rate of return of assets	**4%-7%**	4%-7%
Expected rate of future salary increases		
2008	**–**	3%
2009	**–**	4%
2010 and onwards	**4%**	4%

For obligations under the Malaysia Scheme

	Group	
	2009	2008
Discount rate	**6.4%**	6.4%
Expected inflation of price	**3.5%**	3.5%
Expected rate of salary increases	**7.0%**	7.0%

	Group	
	2009	2008
	US$'000	US$'000
At 31 March		
Present value of retirement benefit obligations	**1,552**	1,002
Experience gains/(losses) on long service payment obligations	**476**	(60)

33 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Cash generated from operations

	Group	
	2009	2008
	US$'000	US$'000
Operating profit	**32,326**	44,471
Fair value losses on financial assets at fair value through profit or loss	**1,184**	322
Fair value gains on investment properties	**(101)**	–
Depreciation of property, plant and equipment	**9,745**	7,614
Amortisation of leasehold land and land use rights	**647**	448
Amortisation of intangible assets	**800**	506
Provision for impairment and written-off of receivables	**312**	2,232
Provision for inventory obsolescence	**103**	113
Negative goodwill arising on the acquisition of Nanyang	**–**	(13,094)
Provision for impairment of goodwill and intangible assets	**3,895**	5,393
Dividend income	**(11)**	(11)
Interest income	**(1,673)**	(2,153)
Gain on disposals of property, plant and equipment, leasehold land and land use rights – net	**(25)**	(308)
Share compensation costs on share options granted by a listed subsidiary	**91**	229
Pension income	**(71)**	(32)
Provision for long service payments	**239**	19
Operating profit before working capital changes	**47,461**	45,749
Decrease/(increase) in inventories	**3,680**	(8,317)
Decrease/(increase) in trade and other receivables	**12,155**	(2,015)
(Decrease)/increase in trade and other payables	**(4,295)**	1,735
Cash generated from operations	**59,001**	37,152

33 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

(b) Analysis of changes in financing during the year

	Dividend payable		Short-term and long-term bank loans		Obligations under finance leases		Share capital and share premium	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
At 1 April	**–**	–	**34,602**	17,170	**1,723**	1,089	**17,976**	18,685
Exchange differences	**–**	–	**(2,829)**	633	**(337)**	103	**–**	–
Net cash (outflow)/inflow from financing	**(23,206)**	(8,868)	**(14,898)**	(12,887)	**(173)**	531	**(572)**	(748)
Transfer from capital reserve	**–**	–	**–**	–	**–**	–	**284,411**	–
Exercise of share options	**–**	–	**–**	–	**–**	–	**17**	39
Dividends	**23,159**	8,868	**–**	–	**–**	–	**–**	–
Distribution of assets by a subsidiary	**47**	–	**–**	–	**–**	–	**–**	–
Acquisition of subsidiary – Nanyang	**–**	–	**–**	29,686	**–**	–	**–**	–
At 31 March	**–**	–	**16,875**	34,602	**1,213**	1,723	**301,832**	17,976

(c) Major non-cash transactions

(i) During the year ended 31 March 2009, the intangible assets impaired by US$3,895,000 due to diminution in value of Nanyang Siang Pau's masthead to its fair value at the balance sheet date.

(ii) 506,667,259 shares and 268,839,186 shares were deemed to have been issued on 31 March 2008 for the acquisition of the remaining equity interest from the minority shareholders of Sin Chew and for the 100% equity interest in Nanyang respectively. All the deemed issues had been credited to the capital reserve at fair values at 31 March 2008 and were transferred to share capital and share premium on 23 April 2008, the actual shares issuance date.

(iii) During the year ended 31 March 2008, minority interests decreased by US$65,041,000 to reflect the adjustment as disclosed in (ii) above.

(d) In the cash flow statement, proceeds from disposals of property, plant and equipment, leasehold land and land use rights comprise:

	Group	
	2009	2008
	US$'000	US$'000
Net book value		
Property, plant and equipment *(note 15)*	**212**	230
Leasehold land and land use rights *(note 17)*	**–**	263
	212	493
Gain on disposals of property, plant and equipment, leasehold land and land use rights – net	**25**	308
Proceeds from disposals of property, plant and equipment, leasehold land and land use rights	**237**	801

34 BANKING FACILITIES AND PLEDGE OF ASSETS

At 31 March 2009, the Group's banking facilities were secured by the following:

(a) certain machinery and printing equipment with net book value of US$903,000 at 31 March 2009 (2008: US$18,950,000);

(b) first legal charges on certain of the Group's freehold and leasehold land and buildings and land use rights with an aggregate carrying value of US$21,586,000 at 31 March 2009 (2008: US$22,963,000) and assignment of rental income derived therefrom;

(c) first legal charges on certain of the Group's publishing titles;

(d) general security agreements under which all the assets of certain subsidiaries with net book value of US$14,964,000 at 31 March 2009 (2008: US$18,752,000) were pledged to certain banks, including US$2,354,000 (2008: US$3,181,000) attributable to freehold properties disclosed under note (b) above; and

(e) corporate guarantees issued by the Company.

35 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under liability method using rates of taxation prevailing in the countries in which the Group operates. The taxation rate used for the Group's Hong Kong operations is 16.5% and for the Group's Malaysian operations is 25% (2008: 17.5% in Hong Kong, 25% in Malaysia).

The movements in net deferred income tax liabilities during the year were as follows:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**5,200**	1,461
Deferred income tax charged to the consolidated income statement *(note 9)*	**3,063**	1,110
Acquisition of subsidiary – Nanyang	**–**	2,506
Exchange adjustments	**(444)**	123
At 31 March	**7,819**	5,200

35 DEFERRED INCOME TAX *(Continued)*

The components of deferred income tax liabilities/(assets) recognised in the consolidated balance sheet and the movements (prior to offsetting of the balances within the same tax jurisdiction) during the year were as follows:

	Accelerated tax depreciation US$'000	Provision for doubtful debts US$'000	Provision for employee benefits and other liabilities US$'000	Decelerated tax depreciation US$'000	Tax losses US$'000	Revaluation on other properties US$'000	Unutilised reinvestment allowance US$'000	Total US$'000
At 1 April 2007	6,539	(60)	(175)	(14)	(4,537)	(292)	–	1,461
(Credited)/charged to consolidated income statement	(84)	(211)	(13)	1	1,434	(17)	–	1,110
Acquisition of subsidiary – Nanyang	3,841	(21)	(755)	(672)	–	2,336	(2,223)	2,506
Exchange adjustments	330	(7)	(14)	–	(186)	–	–	123
At 31 March 2008	10,626	(299)	(957)	(685)	(3,289)	2,027	(2,223)	5,200
At 1 April 2008	**10,626**	**(299)**	**(957)**	**(685)**	**(3,289)**	**2,027**	**(2,223)**	**5,200**
Charged/(credited) to consolidated income statement	**1,759**	**69**	**(412)**	**130**	**431**	**(45)**	**1,131**	**3,063**
Exchange adjustments	**(1,162)**	**19**	**166**	**76**	**211**	**(1)**	**247**	**(444)**
At 31 March 2009	**11,223**	**(211)**	**(1,203)**	**(479)**	**(2,647)**	**1,981**	**(845)**	**7,819**

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of US$75,101,000 (2008: US$55,301,000) to carry forward against future taxable income. Losses amounting to US$37,743,000 (2008: US$34,082,000) will expire within twenty years. The remaining tax losses amounting to US$37,358,000 (2008: US$21,219,000) can be carried forward indefinitely.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off and that the deferred income taxes relate to the same tax jurisdiction. The following amounts, determined after appropriate offsetting, were shown in the consolidated balance sheet.

	Group	
	2009 US$'000	2008 US$'000
Deferred income tax assets:		
to be recovered within 12 months	**(110)**	(213)
to be recovered after 12 months	**(2,320)**	(3,417)
	(2,430)	(3,630)
Deferred income tax liabilities:		
to be recovered within 12 months	**89**	320
to be recovered after 12 months	**10,160**	8,510
	10,249	8,830

36 COMMITMENT

(a) Operating lease commitments

At 31 March 2009, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Group	
	2009	2008
	US$'000	US$'000
Within one year	**1,649**	2,103
Later than one year and not later than five years	**992**	1,497
Later than five years	**13**	28
	2,654	3,628

(b) Capital commitments

Capital commitments outstanding at the balance sheet date were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Property, plant and equipment and leasehold land and land use rights		
Authorised and contracted for	**14,662**	734
Authorised but not contracted for	**4,210**	4,913
	18,872	5,647
Authorised capital injection for a subsidiary contracted but not provided for	**439**	–

37 BUSINESS COMBINATION

Pursuant to the merger as disclosed in notes 1 and 29(a), 268,839,186 ordinary shares of the Company of HK$0.1 each were deemed to have been issued on 31 March 2008 for the acquisition of 100% equity interest in Nanyang. If the acquisition had occurred on 1 April 2007, the Group's revenue and net profit for the year ended 31 March 2008 would have been US$92,347,000 and US$5,786,000 higher respectively. These amounts have been calculated by adjusting the results of Nanyang using the Group's accounting policies. The acquisition has been recorded using the purchase method.

Details of the net assets acquired and negative goodwill were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Purchase consideration		
Fair value of shares issued *(note (a))*	**–**	59,511
Direct costs relating to the acquisition	**–**	2,994
Total purchase consideration	**–**	62,505
Fair value of net assets acquired	**–**	(75,599)
Negative goodwill arising on the acquisition of Nanyang *(note b)*	**–**	(13,094)

37 BUSINESS COMBINATION *(Continued)*

Notes:

(a) The fair value of the shares issued was based on the closing share price of the Company as quoted by the HK Stock Exchange at 31 March 2008.

(b) The negative goodwill was attributable to the improved viability of Nanyang's operations as a result of its management's strategic plans. The negative goodwill was recognised directly in the consolidated income statement.

The assets and liabilities arising from the acquisition of Nanyang were as follows:

	Fair value	**Acquiree's carrying amount**
	US$'000	US$'000
Property, plant and equipment	46,974	39,460
Investment properties	5,487	5,487
Leasehold land and land use rights	1,830	361
Archives, mastheads and publishing rights and computer softwares (included in intangible assets) *(note 18)*	21,119	603
Deferred income tax assets	84	84
	75,494	45,995
Current assets	48,289	48,286
Current liabilities	(42,130)	(42,130)
Long-term liabilities	(3,391)	(3,391)
Deferred income tax liabilities	(2,590)	(255)
	75,672	48,505
Minority interests	(73)	
Net assets acquired	75,599	
Cash and cash equivalents in Nanyang acquired		5,194
Direct costs paid for the acquisition		(1,718)
		3,476

38 RELATED PARTY TRANSACTIONS AND BALANCES

At 31 March 2008, the directors regarded Conch Company Limited ("Conch"), a company incorporated in the British Virgin Islands, as being the ultimate holding company.

Upon the issue of shares on 23 April 2008 as disclosed in note 29(a), Conch was no longer the ultimate holding company as its shareholding in the Company has been reduced to approximately 15%.

38 RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(a) Transactions with related parties

	Group	
	2009	2008
	US$'000	US$'000
Advertising sales received from a directors' related company	**–**	(110)
Motor vehicle insurance premium paid to a directors' related company	**1**	2
Newsprint purchases from a directors' related company	**58,978**	28,375
Rental expenses paid to related companies of directors	**1,138**	1,186
Rental income received from a director's related company	**(5)**	–
Purchases of air tickets from a directors' related company	**8**	8
Scrap sales of old newspapers and magazines to a directors' related company	**(1,008)**	–

All the transactions above have been entered into in the normal course of business and have been charged at pre-determined rates agreed mutually by the parties involved.

(b) Key management compensation

	Group	
	2009	2008
	US$'000	US$'000
Directors' fees, basic salaries, discretionary bonuses, other allowances and benefits in kind	**2,153**	1,582
Contributions to pension scheme	**163**	130
Share compensation costs on share options granted by a listed subsidiary	**21**	45
	2,337	1,757

(c) Related party balances

At 31 March 2009, there was no balance due from or to any related party (2008: Nil).

39 FINANCIAL GUARANTEES

At 31 March 2009, the Company issued financial guarantees in favour of certain of its subsidiaries totalling US$20,099,000 (2008: US$23,439,000) in connection with general banking facilities granted to those subsidiaries. At 31 March 2009, total facilities utilised amounted to US$4,878,000 (2008: US$5,015,000).

40 CONTINGENT LIABILITIES

At 31 March 2009, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings was still uncertain as of the date of these consolidated financial statements, the directors are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

41 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current's year presentation. These reclassifications have no impact on the Group's total equity as at both 31 March 2009 and 2008 or on the Group's profit for the years ended 31 March 2009 and 2008.

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES

(a) Particulars of principal subsidiaries at 31 March 2009 that are incorporated in Hong Kong are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Charming Holidays Limited	1,000,000 ordinary shares of HK$1 each	100	Provision of travel and travel related services
Cheerlane Development Limited	2 ordinary shares of HK$1 each	100	Property investment
Holgain Limited	2 ordinary shares of HK$10 each	100	Property investment
Intelligent Printing Limited	2 ordinary shares of HK$1 each	100	Investment holding
Intelligent Publications (China) Limited	1,000,000 ordinary shares of HK$1 each	100	Investment holding
Kin Ming Printing Company Limited	100 ordinary shares of HK$100 each	100	Provision of printing services
Maribo Brief Limited	2 ordinary shares of HK$1 each	100	Property investment
Media2U Company Limited	101 ordinary shares of HK$1 each	62.83	Magazines advertising & operation
Mingpao.com Limited	2 ordinary shares of HK$1 each	97.78	Internet related businesses
Ming Pao Holdings Limited	900 ordinary shares of HK$1,000 each and 100 non-voting deferred shares of HK$1,000 each	100	Investment holding
Ming Pao Holdings (North America) Limited	2 ordinary shares of HK$1 each	100	Investment holding
Ming Pao Magazines Limited	165,000 ordinary shares of HK$10 each	62.83	Magazines publishing
Ming Pao Newspapers Limited	2 ordinary shares of HK$1 each	100	Newspaper and periodical publishing
Ming Pao Publications Limited	10 ordinary shares of HK$1 each	100	Books publishing
Yazhou Zhoukan Limited	9,500 ordinary shares of HK$1 each	100	Magazine publishing

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(b) Particulars of principal subsidiaries at 31 March 2009 that are incorporated in Malaysia are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
The China Press Berhad	4,246,682 ordinary shares of RM1 each	99.75	Publication of newspapers and provision of printing services
CittaBella (Malaysia) Sdn Bhd	1,000,000 ordinary shares of RM1 each	100	Publication and distribution of magazines
Guang-Ming Ribao Sdn Bhd	4,000,000 ordinary shares of RM1 each	100	Publishing, printing and distribution of newspaper "*Guang Ming Daily*" and distribution of magazines and other publications
Life Publishers Berhad	9,000,000 ordinary shares of RM1 each	100	Publication of newspaper and magazines
Media Communications Sdn Bhd	100,000 ordinary shares of RM1 each	100	Publishing and distribution of magazines
Mulu Press Sdn Bhd	500,000 ordinary shares of RM1 each	100	Newspaper circulation and distribution agent and providing editorial and advertising services
MCIL Multimedia Sdn Bhd (formerly known as Nanyang Online Sdn Bhd)	10,000,000 ordinary shares of RM1 each	100	Electronic commerce activities through the internet and multimedia
Nanyang Press Holdings Berhad	76,107,375 ordinary shares of RM1 each	100	Investment holding, letting of properties and provision of management services
Nanyang Press Marketing Sdn Bhd	1,000,000 ordinary shares of RM1 each	100	Provision of marketing service of newspaper products
Nanyang Siang Pau Sdn Bhd	60,000,000 ordinary shares of RM1 each	100	Publishing and selling of newspapers and magazines
Sinchew-i Sdn Bhd	4,500,000 ordinary shares of RM1 each	100	Providing contents to web and mobile users, web hosting and designing, web advertising, and web audio video broadcasting
Sin Chew Media Corporation Berhad	302,000,000 ordinary shares of RM0.50 each	100	Investment holding, publishing, printing and distribution of newspaper "*Sin Chew Daily*", printing of newspapers for other publishers and distribution of magazines

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of principal subsidiaries at 31 March 2009 that are incorporated outside Hong Kong and Malaysia are as follows:

Name of subsidiary	Place of incorporation and operation	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Beijing OMG Advertising Company Limited (formerly known as Media2U (Beijing) Company Limited)	The People's Republic of China	RMB6,463,516	62.83	Magazines operation
Beijing OMG M2U Advertising Company Limited	The People's Republic of China	RMB30,000,000	62.83	Magazines advertising
Beijing Times Resource Technology Consulting Limited *(notes (2) & (4))*	The People's Republic of China	RMB3,000,000	62.83	Magazines operation
Comwell Investment Limited	British Virgin Islands	1 ordinary share at no par value	100	Investment holding
Delta Tour & Travel Services (Canada), Inc.	Canada	850,000 common shares at no par value for CAD530,000	100	Provision of travel and travel related services
Delta Tour & Travel Services, Inc.	The United States of America	461,500 common shares at no par value for US$300,500	100	Provision of travel and travel related services
First Collection Limited	British Virgin Islands	1 ordinary share of US$1	100	Investment holding
Guangzhou Kin Ming Printing Limited *(notes (3) & (4))*	The People's Republic of China	HK$25,000,000	100	Provision of printing services
Media2U (BVI) Company Limited	British Virgin Islands	1 ordinary share of US$1	62.83	Investment holding
Media Chinese International Holdings Limited	British Virgin Islands	1 ordinary share at no par value	100	Investment holding
Mingpao.com Holdings Limited	Cayman Islands	717,735 ordinary shares of HK$0.1 each	97.78	Investment holding
Ming Pao Enterprise Corporation Limited	Cayman Islands	1 ordinary share of US$1	100	Investment holding
Ming Pao Finance Limited	British Virgin Islands	10 ordinary shares of US$1 each	100	Publishing titles holding
Ming Pao Holdings (Canada) Limited	Canada	1 common share at no par value for CAD1	100	Investment holding
Ming Pao Holdings (USA) Inc.	The United States of America	1 common share of US$1	100	Investment holding
Ming Pao Investment (Canada) Limited	Canada	1 common share of CAD1	100	Investment holding
Ming Pao Investment (USA) L.P.	The United States of America	1,000 units for US$150,150	100	Newspaper publishing
Ming Pao Newspapers (Canada) Limited	Canada	1,001 common shares at no par value for CAD11	100	Newspapers publishing

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of principal subsidiaries at 31 March 2009 that are incorporated outside Hong Kong and Malaysia are as follows: *(Continued)*

Name of subsidiary	Place of incorporation and operation	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Ming Pao (New York) Inc.	The United States of America	1 common share of US$1	100	Dormant
Ming Pao (San Francisco) Inc.	The United States of America	1 common share of US$1	100	Dormant
MP Printing Inc.	The United States of America	1 common share of US$1	100	Dormant
One Media Group Limited	Cayman Islands	400,000,000 ordinary shares of HK$0.001 each	62.83	Investment holding
One Media Holdings Limited	British Virgin Islands	20,000 ordinary shares of US$0.01 each	62.83	Investment holding
Starsome Limited	British Virgin Islands	10 ordinary shares of US$1 each	100	Investment holding
Top Plus Limited	British Virgin Islands	10 ordinary shares of US$1 each	62.83	Investment holding
Yazhou Zhoukan Holdings Limited	British Virgin Islands	12,000 ordinary shares of HK$1 each	100	Investment holding

Notes:

(1) All companies operate in their respective places of incorporation, except for Comwell Investment Limited, First Collection Limited, Media2U (BVI) Company Limited, Media Chinese International Holdings Limited, Mingpao.com Holdings Limited, Ming Pao Enterprise Corporation Limited, Ming Pao Finance Limited, One Media Group Limited, One Media Holdings Limited, Starsome Limited, Top Plus Limited and Yazhou Zhoukan Holdings Limited, which operate principally in Hong Kong.

(2) Beijing Times Resource Technology Consulting Limited ("TRT") is a domestic enterprise in the People's Republic of China ("PRC") owned legally by PRC nationals. The Group has entered into contractual arrangements with the legal owners of this company so that the decision-making rights, operating and financing activities of TRT are ultimately controlled by the Group. The Group is also entitled to substantially all of the operating profits and residual benefits generated by TRT under these arrangements. In particular, the legal owners of TRT are required under their contractual arrangements with the Group to transfer their interests in TRT to the Group or the Group's designee upon the Group's request at a pre-agreed nominal consideration. Further, the Group can receive the cash flow derived from the operations of TRT through the levying of service and consultancy fees. The ownership interests in TRT have also been pledged by the legal owners of this company to the Group. Based on the above, the directors regard TRT as a subsidiary of the Company.

(3) The subsidiary was established in PRC in the form of a wholly-owned foreign enterprise.

(4) The subsidiaries have 31 December as their financial accounting year end date, which is not coterminous with that of the Group for the reason of compliance with local regulations.

The above table includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Additional Compliance Information

STATUTORY DECLARATION

Pursuant to Paragraph 4A.18 of the Listing Requirements of Bursa Malaysia Securities Berhad

I, FU Shuk Kuen, being the officer primarily responsible for the financial management of Media Chinese International Limited, do solemnly and sincerely declare that the financial statements set out on pages 78 to 156 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (Chapter 11) of the Laws of Hong Kong.

Subscribed and solemnly declared by FU Shuk Kuen
at Hong Kong
on 25 June 2009

Before me,

Notary Public

Five-Year Financial Summary

The results of the Group for the last five financial years were as follows:

	Group				
	2009	2008	2007	2006	2005
	US$'000	US$'000	US$'000	US$'000	US$'000
Turnover	**394,303**	328,260	304,563	280,118	255,255
Profit attributable to equity holders of the Company	**16,790**	19,188	11,489	15,928	13,559
Basic earnings per share (US cents)	**1.00**	2.10	1.26	1.76	1.50

The assets and liabilities of the Group for the last five financial years were as follows:

	As at 31 March				
	2009	2008	2007	2006	2005
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	**99,692**	112,603	63,558	60,797	60,428
Investment properties	**6,224**	7,056	1,455	1,353	1,321
Leasehold land and land use rights	**22,445**	24,262	22,479	21,782	22,104
Intangible assets	**14,861**	22,022	6,000	8,990	386
Goodwill	**54,620**	62,450	15,782	11,360	11,090
Non-current assets held for sale	**77**	–	–	–	–
Interests in associated companies	**–**	–	–	–	2,858
Financial assets at fair value through profit or loss	**–**	1,128	972	–	–
Available-for-sale investments	**–**	–	–	264	258
Defined benefit plan assets	**–**	579	1,419	1,389	1,890
Deferred income tax assets	**2,430**	3,630	4,589	4,329	4,281
	200,349	233,730	116,254	110,264	104,616
Current assets	**173,057**	207,666	145,242	140,276	124,464
Current liabilities	**(72,078)**	(96,885)	(57,014)	(56,798)	(58,207)
Net current assets	**100,979**	110,781	88,228	83,478	66,257
Total assets less current liabilities	**301,328**	344,511	204,482	193,742	170,873
Minority interests	**(8,189)**	(7,952)	(59,367)	(54,169)	(40,663)
Long-term liabilities	**(3,072)**	(6,453)	(5,366)	(8,762)	(14,584)
Deferred income tax liabilities	**(10,249)**	(8,830)	(6,050)	(5,350)	(4,686)
Equity holders' funds	**279,818**	321,276	133,699	125,461	110,940

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
Turnover	**1,437,826**	1,197,000
Cost of goods sold	**(960,073)**	(773,681)
Gross profit	**477,753**	423,319
Other income	**23,607**	17,044
Other gains, net	**5,481**	5,109
Negative goodwill arising on the acquisition of Nanyang	**–**	47,747
Selling and distribution expenses	**(217,054)**	(183,379)
Administrative expenses	**(134,833)**	(111,390)
Other operating expenses	**(37,077)**	(36,286)
Operating profit	**117,877**	162,164
Finance costs	**(4,708)**	(2,589)
Profit before income tax	**113,169**	159,575
Income tax expense	**(49,884)**	(43,062)
Profit for the year	**63,285**	116,513
Attributable to:		
Equity holders of the Company	**61,225**	69,969
Minority interests	**2,060**	46,544
	63,285	116,513
Earnings per share attributable to the equity holders of the Company		
Basic (RM sens)	**3.65**	7.66
Diluted (RM sens)	**3.65**	7.66
Dividends		
First interim dividend in respect of current year, paid (2007–2008: paid)	**27,633**	3,781
Second interim dividend in respect of current year, proposed (2007–2008: paid)	**8,781**	55,700

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED BALANCE SHEET

As at 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
ASSETS		
Non-current assets		
Property, plant and equipment	**363,527**	410,607
Investment properties	**22,696**	25,730
Leasehold land and land use rights	**81,846**	88,471
Intangible assets	**54,191**	80,303
Goodwill	**199,172**	227,724
Non-current assets held for sale	**281**	–
Financial assets at fair value through profit or loss	**–**	4,113
Defined benefit plan assets	**–**	2,111
Deferred income tax assets	**8,861**	13,237
	730,574	852,296
Current assets		
Inventories	**152,963**	184,261
Available-for-sale financial assets	**2,355**	2,349
Financial assets at fair value through profit or loss	**806**	1,007
Trade and other receivables	**215,071**	280,401
Income tax recoverable	**3,854**	10,064
Cash and cash equivalents	**256,003**	279,172
	631,052	757,254
Current liabilities		
Trade and other payables	**183,091**	215,078
Income tax liabilities	**10,163**	14,830
Short-term bank loans	**53,162**	89,026
Bank overdrafts, secured	**8,854**	10,801
Current portion of long-term liabilities	**7,563**	23,556
	262,833	353,291
Net current assets	**368,219**	403,963
Total assets less current liabilities	**1,098,793**	1,256,259
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	**79,027**	18,841
Share premium	**1,021,603**	46,708
Other reserves	**(447,301)**	716,734
Retained earnings		
– Proposed dividend	**8,781**	56,922
– Others	**358,247**	332,327
	1,020,357	1,171,532
Minority interests	**29,861**	28,997
Total equity	**1,050,218**	1,200,529
Non-current liabilities		
Long-term liabilities	**11,202**	23,531
Deferred income tax liabilities	**37,373**	32,199
	48,575	55,730
	1,098,793	1,256,259

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

BALANCE SHEET

As at 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
ASSETS		
Non-current assets		
Interests in subsidiaries	**1,569,968**	1,270,539
Current assets		
Amounts due from subsidiaries	**3,569**	314,730
Trade and other receivables	**168**	120
Income tax recoverable	**–**	383
Cash and cash equivalents	**153**	171
	3,890	315,404
Current liabilities		
Amounts due to subsidiaries	**23,115**	–
Trade and other payables	**5,776**	8,055
	28,891	8,055
Net current (liabilities)/assets	**(25,001)**	307,349
Total assets less current liabilities	**1,544,967**	1,577,888
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	**79,027**	18,841
Share premium	**1,021,603**	46,708
Other reserves	**94,693**	1,131,699
Retained earnings		
– Proposed dividend	**8,781**	56,922
– Others	**340,863**	323,718
Total equity	**1,544,967**	1,577,888

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the year ended 31 March 2009

	2009	2008
	RM'000	RM'000
	(note)	*(note)*
Currency translation differences	**(122,621)**	38,150
Actuarial losses of defined benefit plan assets	**(2,979)**	(3,435)
Actuarial (losses)/gains of long service payment obligations	**(1,685)**	142
Net (expense)/income recognised directly in equity	**(127,285)**	34,857
Profit for the year	**63,285**	116,513
Total recognised (expense)/income for the year	**(64,000)**	151,370
Attributable to:		
Equity holders of the Company	**(66,024)**	87,925
Minority interests	**2,024**	63,445
	(64,000)	151,370

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
Cash flows from operating activities		
Cash generated from operations	**215,148**	135,474
Interest on bank loans and overdrafts	**(4,405)**	(2,203)
Interest element of finance lease payments	**(303)**	(386)
Profits tax paid	**(36,225)**	(31,447)
Long service payments made	**(190)**	(33)
Contributions to the defined benefit plan	**(292)**	(255)
Net cash generated from operating activities	**173,733**	101,150
Cash flows from investing activities		
Purchase of property, plant and equipment	**(35,298)**	(21,139)
Purchase of investment properties	**(116)**	–
Purchase of leasehold land and land use rights	**(573)**	–
Purchase of intangible assets	**(861)**	(484)
Purchase of financial assets at fair value through profit or loss	**–**	(10,983)
Proceeds from disposals of property, plant and equipment, leasehold land and land use rights	**864**	2,920
Proceeds from redemption of listed investment	**–**	9,152
Net cash inflow in respect of the acquisition of Nanyang	**–**	14,163
Professional fees paid for the acquisition of equity interest from minority shareholders of Sin Chew	**–**	(2,461)
Interest received	**6,101**	7,851
Dividends received	**40**	40
Net cash used in investing activities	**(29,843)**	(941)
Cash flows from financing activities		
Repurchase of ordinary shares	**(2,086)**	(2,727)
Proceeds from exercise of share options	**62**	142
Distribution of assets by a subsidiary	**(171)**	–
Dividends paid	**(83,333)**	(3,781)
Dividends paid by Sin Chew	**–**	(28,373)
Dividends paid by a listed subsidiary	**(1,115)**	(182)
Repayment of bank loans	**(26,277)**	(43,842)
Repayment of short-term bank loans	**(28,049)**	(3,151)
Proceeds from capital element of finance lease payments	**1,608**	4,565
Capital element of finance lease payments	**(2,239)**	(2,629)
Net cash used in financing activities	**(141,600)**	(79,978)
Net increase in cash and cash equivalents, and bank overdrafts	**2,290**	20,231
Cash and cash equivalents, and bank overdrafts as at 1 April	**268,371**	236,745
Exchange adjustments on cash and cash equivalents, and bank overdrafts	**(23,512)**	11,395
Cash and cash equivalents, and bank overdrafts as at 31 March	**247,149**	268,371

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Analysis of Shareholdings

As at 16 July 2009

Authorised share capital	:	HK$250,000,000 divided into 2,500,000,000 ordinary shares of HK$0.10 each
Issued and paid-up capital	:	HK$168,389,824.10
Class of shares	:	ordinary shares of HK$0.10 each
Voting rights	:	one vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	Number of shareholders	% of shareholders	Number of shares held	% of issued capital
Less than 100	355	3.64	16,038	–*
100 to 1,000	1,187	12.18	757,823	0.05
1,001 to 10,000	5,731	58.81	24,601,614	1.46
10,001 to 100,000	2,196	22.53	54,266,096	3.22
100,001 to less than 5% of issued shares	272	2.79	697,579,775	41.43
5% and above of issued shares	5	0.05	906,676,895	53.84
Total	9,746	100.00	1,683,898,241	100.00

* negligible

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS

	Name of shareholders	Number of shares held	% of issued capital
1	Progresif Growth Sdn Bhd	326,663,556	19.40
2	HSBC Nominees (Hong Kong) Limited	179,222,700	10.64
3	HKSCC Nominees Limited	160,061,798	9.51
4	Zaman Pemimpin Sdn Bhd	154,219,783	9.16
5	TIONG Hiew King	86,509,058	5.14
6	Ezywood Options Sdn Bhd	75,617,495	4.49
7	Employees Provident Fund Board	70,799,817	4.20
8	Teck Sing Lik Enterprise Sdn Bhd	65,319,186	3.88
9	Huaren Management Sdn Bhd	60,394,191	3.59
10	Madigreen Sdn Bhd	52,875,120	3.14
11	Persada Jaya Sdn Bhd	40,695,560	2.42
12	HSBC Nominees (Asing) Sdn Bhd (Exempt AN For Credit Suisse (HK BR-TST-ASING))	23,843,478	1.42
13	Citigroup Nominees (Asing) Sdn Bhd (CGML IPB For Trophy Fund)	22,137,300	1.31
14	Lembaga Tabung Angkatan Tentera	20,244,500	1.20
15	Rimbunan Hijau (Sarawak) Sdn Bhd	15,536,696	0.92
16	WONG Yiing Ngiik	14,815,059	0.88

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS *(Continued)*

	Name of shareholders	Number of shares held	% of issued capital
17	Suria Kilat Sdn Bhd	12,192,597	0.72
18	Insan Anggun Sdn Bhd	11,727,459	0.70
19	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Thai King)	11,645,037	0.69
20	HSBC Nominees (Asing) Sdn Bhd (Lancelot Assets Limited)	11,090,025	0.66
21	Mayban Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Ik King (39B))	9,406,189	0.56
22	Citigroup Nominees (Tempatan) Sdn Bhd (Exempt AN For Prudential Fund Management Berhad)	9,404,936	0.56
23	Saraju Holding Sdn Bhd	7,086,500	0.42
24	AM Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board (A/C1))	7,043,540	0.42
25	Rimbunan Hijau Southeast Asia Sdn Bhd	6,532,188	0.39
26	Nustinas Sdn Bhd	6,375,064	0.38
27	Asanas Sdn Bhd	6,312,172	0.37
28	Raya Abadi Sdn Bhd	6,124,065	0.36
29	TIONG Chiong Ong	5,510,405	0.33
30	Mayban Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Kiong King)	4,446,073	0.26
		1,483,851,547	88.12

DIRECTORS' INTEREST

Name of directors	Direct interest	% of issued capital	Indirect interest	% of issued capital	No. of share options granted
	Number of shares				
(a) The Company					
Tan Sri Datuk Sir TIONG Hiew King	86,509,058	5.14	798,678,690(1)	47.43	600,000
			11,291,915(2)	0.67	–
Mr TIONG Kiu King	2,540,559	0.15	147,000(3)	0.01	600,000
Dato' Sri Dr TIONG Ik King	9,406,189	0.56	252,487,700(4)	14.99	600,000
Mr TIONG Kiew Chiong	4,796,483	0.28	–	–	600,000
Ms SIEW Nyoke Chow	2,000,072	0.12	–	–	–
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	0.01	–	–	–

DIRECTORS' INTEREST *(Continued)*

Name of directors	Number of shares: Direct interest	% of issued capital of OMG	Indirect interest	% of issued capital OMG	No. of share options granted
(b) Subsidiary – One Media Group Limited ("OMG")					
Tan Sri Datuk Sir TIONG Hiew King	–	–	–	–	1,250,000
Mr TIONG Kiu King	–	–	–	–	1,250,000
Dato' Sri Dr TIONG Ik King	–	–	–	–	1,000,000
Mr TIONG Kiew Chiong	3,750,000	0.94	–	–	1,250,000
Mr David YU Hon To	–	–	–	–	150,000
Mr Victor YANG	–	–	–	–	150,000

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of shareholders	Number of shares: Direct interest	% of issued capital	Deemed interest	% of issued capital
Tan Sri Datuk Sir TIONG Hiew King	86,509,058	5.14	798,678,690(1)	47.43
			11,291,915(2)	0.67
Dato' Sri Dr TIONG Ik King	9,406,189	0.56	252,487,700(4)	14.99
Progresif Growth Sdn Bhd	326,663,556	19.40	–	–
Conch Company Limited	252,487,700	14.99	–	–
Zaman Pemimpin Sdn Bhd	154,219,783	9.16	–	–
Pertumbuhan Abadi Asia Sdn Bhd	1,902,432	0.11	401,607,560(5)	23.85
Seaview Global Company Limited	–	–	252,487,700(6)	14.99
Sharifah Rokayah Binti WAN OTHMAN	353	–*	154,219,783(7)	9.16
Salleh Bin DELAMID	–	–	154,219,783(7)	9.16

* negligible

Notes:

(1) Deemed interested by virtue of his interests in Seaview Global Company Limited, Conch Company Limited, Teck Sing Lik Enterprise Sdn Bhd, Tiong Toh Siong Holdings Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd, Ezywood Options Sdn Bhd and Madigreen Sdn Bhd.

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

(3) Deemed interested by virtue of his spouse's interest.

(4) Deemed interested by virtue of his interest in Conch Company Limited and Seaview Global Company Limited.

(5) Deemed interested by virtue of its interest in Progresif Growth Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd and Madigreen Sdn Bhd.

(6) Deemed interested by virtue of its interest in Conch Company Limited.

(7) Deemed interested by virtue of his/her interest in Zaman Pemimpin Sdn Bhd.

LIST OF PROPERTIES

Details of the properties held by the Group are listed as follows:

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
Buildings held on medium-term leases in Hong Kong						
1 Workshops 1-7 on G/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	17,857	Industrial	17 years	795	1992
2 Workshops 1-16, on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	33,232	Storage	17 years	1,256	1992
3 Workshops 1-12 on 15/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	807	1992
4 Workshops 1-12 on 16/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
5 Workshops 1-12 on 17/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
6 Workshops 1-12 on 18/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
7 Workshops 1-12 on 19/F and Flat Roofs and the External Wall of Roof Floor of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	21,357	Office	17 years	690	1992
8 Private Car & Light Van Parking Space Nos. P1, P2 and Lorry Parking Space Nos. L1-L4 on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	83	1997
9 Private Car & Light Van Parking Space No. P18-20 and Lorry Parking Space Nos. L18, L19 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	60	1992
10 Private Car & Light Van Parking Space No. P11 and Lorry Parking Space Nos. L17 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	20	1993
					5,664	

	Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
	Freehold/leasehold land and buildings outside Hong Kong						
1	5368 Parkwood Place, Richmond, Vancouver, British Columbia, Canada	Freehold	43,196	Industrial and office	18 years	1,547	1993
2	Suite 1105, 8248 Lansdowne Road, Richmond, Vancouver, Britsh Columbia, Canada	Freehold	1,116	Residential	14 years	163	1995
3	1355 Huntingwood Drive, Scarborough, Toronto, Canada	Freehold	122,150	Industrial and office	36 years	778	1993
4	1, Jalan SS7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Freehold	269,892	Office buildings and factory building	15.25 years	11,537	1994
5	24, 24A, 24B Weld Quay 10300 Pulau Pinang, Malaysia	Freehold	4,164	Land & building (Double storey shophouse)	33.75 years	438	1975
6	224-226, Jalan Sultan Iskandar, 30000 Ipoh, Perak Darul Ridzuan, Malaysia	Freehold	16,400	Office buildings	33.75 years	405	1975
7	7, 7A-B Jalan Maju, Taman Maju Jaya 80400 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	1,783	Land & building (3 storey shophouse)	31.75 years	254	1977
8	6, Jalan Liku, Off Jalan Bangsar, 59100 Kuala Lumpur, Malaysia	Freehold	8,099	Factory buildings	20.75 years	487	1988
9	9 & 9A Jalan D, Off Jalan Tampoi, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	37,190	Factory buildings	17 years	704	2003
10	40 Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold 60 years expiring on 2064	10,486	Office buildings	41 years	322	1984
11	80, Jalan Riong, 59100 Kuala Lumpur, Malaysia	Freehold	42,716	Office buildings and factory building	33.75 years	3,112	1976
12	No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2063	189,240	Office and printing plant	19 years for office block and 4 years for the printing plant	8,119	2001
13	A4-12-20, Leisure Commerce Square, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2091	818	Office building	9 years	45	1999
14	A4-12-21, Leisure Commerce Square, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2091	818	Office building	9 years	45	1999

	Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
15	No. 2771, Mukim 1, Jalan Jelawat, Seberang Jaya Industrial Estate, 13700 Perai, Malaysia	Leasehold expiry: 2058	131,136	Office and printing plant	15 years	219	1998
16	Lot 1691, Seksyen 12 Bandar Georgetown Pulau Pinang, Malaysia	Freehold	15,736	Office building	46 years	1,012	2004
17	No. 19, Jalan Angkasa Mas 5, Kawasan Perindustrian Tebrau II, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Leasehold expiry: 2053	79,715	Printing plant and warehouse	11 years	749	1998
18	No. 12, Jalan Maju, Taman Maju Jaya, 80400 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	2,090	Office building	30 years	77	1998
19	Lot 02123, Section 66, Lorong 3, Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	Leasehold expiry: 2047	217,172	Office and printing plant	12 years	549	1996
20	Lot 1865, Section 19, Seduan Land District, Upper Lanang Road, Sibu, Sarawak, Malaysia	Leasehold expiry: 2063	92,549	Office, printing plant and warehouse	9 years	727	2004
21	Lot 2620 (Part of 804), Block 4, Jalan Cattleya 3, Piasau Industrial Estate, Miri Concession Land District, Sarawak, Malaysia	Leasehold expiry: 2036	80,363	Office, printing plant and warehouse	3 years	1,436	2005
22	No. 38, Jalan Haji Abdul Aziz, 25000 Kuantan, Pahang Darul Makmur, Malaysia	Freehold	1,600	Office building	30 years	40	1998
23	109, Taman Melaka Raya, Jalan Merdeka, 75000 Melaka, Malaysia	Leasehold expiry: 2075	1,600	Office building	30 years	38	1998
24	No. 93, Jalan Leong Sin Nam, 30300 Ipoh, Perak, Malaysia	Leasehold expiry: 2078	6,376	Land and 4-storey shop office	31 years	79	2009
25	No. A1-1307, Level 13, Block A1, Kempas Apartments, Genting View Resort, 69000 Genting Highlands, Pahang Darul Makmur, Malaysia	Freehold	829	Condominium	19 years	24	2009
26	No. 12, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia	Freehold	4,950	Land and 4 1/2-storey shop office	24 years	145	2009
27	No. 3, Lorong 1, Medan Sri Intan, Jalan Sekolah, 36000 Teluk Intan, Perak, Malaysia	Freehold	3,386	Land and 3-storey shop office	17 to 18 years	110	2009

	Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
28	No. 24, Jalan Ibrahim, 85000 Segamat, Johor Darul Takzim, Malaysia	Freehold	2,940	Land and 2-storey shop Office	56 years	71	2009
29	No. 16, Lorong Gudang Nanas 2, 41400 Klang, Selangor Darul Ehsan, Malaysia	Freehold	7,811	Land and 4 1/2-storey shop office	24 years	202	2009
30	No. 8, Jalan Puteri, 83000 Batu Pahat, Johor Darul Takzim, Malaysia	Freehold	2,880	Land and 2-storey shop office	38 to 39 years	68	2009
31	No. 1025, Jalan Berjaya 3, Seberang Jalan Putra, 05150 Alor Setar, Kedah Darul Aman, Malaysia	Freehold	4,198	Land and 3-storey shop office	17 to 19 years	68	2009
32	No. 240, Jalan Mersing, Taman Kurnia, 86000 Kluang, Johor Darul Takzim, Malaysia	Freehold	4,074	Land and 3-storey shop office	31 years	87	2009
33	No. 45-67, Jalan Salleh, 84000 Muar, Johor Darul Takzim, Malaysia	Freehold	5,379	Land and 3-storey shop office	15 years	109	2009
34	No. 152, Jalan Petaling, 50000 Kuala Lumpur, Malaysia	Freehold	4,760	Land and 2-storey shop office	70 years	329	2009
35	No. 12, Taman Anson, Jalan Raja Omar, 32000 Sitiawan, Perak, Malaysia	Freehold	3,808	Land and 2-storey shop office	32 years	82	2009
36	No. 6, Jalan Mawar 2, Taman Pekan Baru, 08000 Sungai Petani, Kedah Darul Aman, Malaysia	Leasehold expiry: 2091	5,988	Land and 4-storey shop office	17 years	87	2009
						34,264	

As at 31 March 2009

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
Buildings held on long-term leases outside Hong Kong						
1 Flat A-D, 3-6/F De Yun Court, Winking Garden, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold 70 years expiring on 2062	17,008	Residential	16 years	211	1995
2 31 Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold 60 years expiring on 2066	46,866	Office buildings and factory building	39 years	2,437	2004
					2,648	
Buildings held on medium-term leases outside Hong Kong						
1 Whole block of Yun Xing Bldg, Winking International Commercial Centre, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold 50 years expiring on 2042	119,795	Industrial building	16 years	1,019	1993
2 11 Persiaran Sri Rapat, Off Jalan Lapangan Terbang, 31350 Ipoh, Perak Darul Riduan, Malaysia	Leasehold 60 years expiring on 2039	23,574	Factory building	26 years	92	1994
					1,111	
Property held for sale						
1 No. 22 Jalan BP 10/9, Bandar Bukit Puchong 2, 47100 Puchong, Selangor Darul Ehsan, Malaysia			Double storey house		77	
					77	

LIST OF LEASEHOLD LAND AND LAND USE RIGHTS

Details of the leasehold land and land use rights held by the Group are listed as follows:

Location	Tenure	Net book value US$'000
Medium-term lease leasehold land and land use rights in Hong Kong		
1 Workshops 1-7 on G/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	2,679
2 Workshops 1-16, on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	2,602
3 Workshops 1-12 on 15/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
4 Workshops 1-12 on 16/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
5 Workshops 1-12 on 17/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
6 Workshops 1-12 on 18/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
7 Workshops 1-12 on 19/F, Flat Roofs and the External Wall of Roof Floor of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
8 Private Car & Light Van Parking Space Nos. P1, P2 and Lorry Parking Space Nos. L1-L4 on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	541
9 Private Car & Light Van Parking Space No. P18-20 and Lorry Parking Space Nos. L18, L19 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	194
10 Private Car & Light Van Parking Space No. P11 and Lorry Parking Space No. L17 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	117
		10,753
Medium-term lease leasehold land and land use rights in Malaysia		
1 11 Persiaran Sri Rapat, Off Jalan Lapangan Terbang, 31350 Ipoh, Perak Darul Riduan, Malaysia	Leasehold expiry: 2039	52
2 57-F Jalan Tun Ali, 75300 Melaka, Malaysia	Leasehold expiry: 2055	367
3 No. 19, Jalan Angkasa Mas 5, Kawasan Perindustrian Tebrau II, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Leasehold expiry: 2053	358
4 No. 19, Jalan Sungai Keladi 2, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2031	39
5 Lot 02123, Section 66, Lorong 3, Off Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	Leasehold expiry: 2047	934
6 Lot 2620 (Part of Lot 804), Block 4, Jalan Cattleya 3, Piasau Industrial Estate, Miri Concession Land District, Sarawak, Malaysia	Leasehold expiry: 2036	561
7 No. 2771, Mukim 1, Jalan Jelawat, Seberang Jaya Industrial Estate, 13700 Perai, Malaysia	Leasehold expiry: 2058	398
		2,709

Location	Tenure	Net book value
		US$'000
Long-term lease leasehold land and land use rights in Malaysia		
1 40, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold expiry: 2064	206
2 31, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold expiry: 2066	942
3 No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2063	4,942
4 Lot 1865, Section 19, Seduan Land District, Upper Lanang Road, Sibu, Sarawak, Malaysia	Leasehold expiry: 2063	529
5 93, Jalan Leong Sin Nam 30000 Ipoh, Perak, Malaysia	Leasehold expiry: 2078	134
6 No. 6 Jalan Mawar 2, Taman Pekan Baru, 08000 Sg Petani, Kedah, Malaysia	Leasehold expiry: 2091	22
		6,775
Medium-term lease leasehold land and land use rights in Mainland China		
1 Whole block of Yun Xing Bldg, Winking International Commercial Centre, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold expiry: 2042	1,692
		1,692
Long-term lease leasehold land and land use rights in Mainland China		
1 Flat A-D, 3-6/F De Yun Court, Winking Garden, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold expiry: 2062	516
		516

Notice of 19th Annual General Meeting

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting ("AGM") of Media Chinese International Limited will be held at (i) Sin Chew Media Corporation Berhad, Activity Centre, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Wednesday, 26 August 2009 at 10:00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2009 together with the Directors' and Independent Auditor's Reports thereon.	Ordinary Resolution 1
2.	To approve the payment of Directors' remuneration for the financial year ended 31 March 2009.	Ordinary Resolution 2
3.	To re-elect the following Directors who retire pursuant to the Company's Bye-Laws:	
	i. Tan Sri Datuk Sir TIONG Hiew King	Ordinary Resolution 3
	ii. Mr TIONG Kiu King	Ordinary Resolution 4
	iii. Dato' Sri Dr TIONG Ik King	Ordinary Resolution 5
	iv. Mr David YU Hon To	Ordinary Resolution 6
4.	To re-appoint Messrs PricewaterhouseCoopers as auditor of the Company for the ensuing year and to authorise the Directors to fix its remuneration.	Ordinary Resolution 7

AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without amendments the following resolutions:

5. ORDINARY RESOLUTION

PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"**THAT** approval is hereby given pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with those related parties as specified in the circular to shareholders dated 28 July 2009, subject further to the following: — Ordinary Resolution 8

(a) the transactions are necessary for the day to day operations of the Company and its subsidiaries (the "Group") and carried out in the ordinary course of business, on normal commercial terms, on arm's length basis and are on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company; and

(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year.

THAT the approval given in the paragraph above shall only continue to be in force until:

(a) the conclusion of the next AGM of the Company following the AGM at which the Proposed Shareholders' Mandate was passed, at which time the Proposed Shareholders' Mandate will lapse, unless by an ordinary resolution passed at the general meeting the authority is renewed;

(b) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(c) the date on which the approval set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.

AND **THAT** the Directors and/or any of them of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient and necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

6. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE FOR SHARE BUY-BACK

"**THAT**:

(a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), Bursa Securities or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong, the Stock Exchange and Bursa Securities for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, Listing Requirements of Bursa Securities or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; Ordinary Resolution 9

(b) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next AGM of the Company;

(ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

7. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT**:

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved; Ordinary Resolution 10

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the Bye-Laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next AGM of the Company;

(ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company to the holders of the shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company.)"

8. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE RELATING TO AN EXTENSION TO THE GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT** subject to the passing of the resolutions Nos. 9 and 10 set out in the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution No. 10 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 9 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as the date of the said resolution." Ordinary Resolution 11

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
LAW Yuk Kuen
Company Secretary

28 July 2009

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one proxy (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company.

   When a member appoints more than one proxy (but not more than two), the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with (i) Malaysia Branch Share Registrar office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or (ii) the Hong Kong head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

3. Explanatory notes on special business:

   (a) The proposed Ordinary Resolution No. 8, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business based on normal commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the Group's day-to-day operations. Please refer to the circular to shareholders dated 28 July 2009 for more information.

   (b) The explanatory notes on Ordinary Resolution No. 9 are set out in the circular to shareholders dated 28 July 2009 accompanying the Annual Report.

   (c) The proposed Ordinary Resolution No. 10, if passed, will authorise the Directors to issue and allot shares up to 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This is to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This authority, unless revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

Statement Accompanying Notice of Annual General Meeting

Tan Sri Datuk Sir TIONG Hiew King, Mr TIONG Kiu King, Dato' Sri Dr TIONG Ik King and Mr David YU Hon To are the Directors standing for re-election at the forthcoming Nineteenth Annual General Meeting of the Company. Details of their respective further details are shown in the Annual Report as follows:

	Further details	**Page no.**
(a)	Age, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director	4-12
(b)	The working experience and occupation	4-12
(c)	Any other directorships of public companies	4-12
(d)	The details of any interest in the Company and its subsidiaries	4-12
(e)	The family relationship with any director and/or major shareholder of the Company	4-12
(f)	Any conflict of interest that they have with the Company	12
(g)	The list of convictions for offences within the past 10 years other than traffic offences, if any	12

Details of attendance of directors at board meetings are set out on page 38 of the Annual Report.

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