世界華文

媒體 MEDIA CHINESE

ANNUAL REPORT 2011/12

Media Chinese International Limited

明報 MING PAO DAILY NEWS

星洲日報 SIN CHEW DAILY

南洋商報 NANYANG SIANG PAU

中國報 CHINA PRESS

光明日報 Guang Ming Daily

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

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EXECUTIVE DIRECTORS

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Dato' Sri Dr TIONG Ik King
Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*
Mr NG Chek Yong
Ms SIEW Nyoke Chow

NON-EXECUTIVE DIRECTOR

Mr LEONG Chew Meng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr David YU Hon To
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Temenggong Datuk Kenneth Kanyan
ANAK TEMENGGONG KOH

GROUP EXECUTIVE COMMITTEE

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

JOINT COMPANY SECRETARIES

Ms LAW Yuk Kuen
Ms TONG Siew Kheng

PRINCIPAL BANKERS

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

AUDITOR

PricewaterhouseCoopers

STOCK CODE

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

WEBSITE

www.mediachinesegroup.com

Corporate Information

HONG KONG HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

MALAYSIA HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

REGISTERED OFFICE IN BERMUDA

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

REGISTERED OFFICE IN MALAYSIA

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

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
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
Wan Chai
Hong Kong
Tel: (852) 2980 1333
Fax: (852) 2861 0285

MALAYSIA BRANCH REGISTRAR AND TRANSFER OFFICE

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

Profile of Board of Directors

Tan Sri Datuk Sir TIONG Hiew King

Group Executive Chairman and Executive Director

Malaysian, aged 78, was appointed as the Chairman of Media Chinese International Limited (the "Company") on 20 October 1995. He was also appointed as the Chairman of One Media Group Limited ("OMG") on 1 April 2012, a subsidiary of the Company publicly listed on the main board of The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") (stock code: 426). Tan Sri Datuk Sir TIONG Hiew King is also the Executive Chairman of Rimbunan Hijau Group, a large diversified conglomerate in Malaysia comprising timber harvesting, processing and manufacturing of timber products, plantations and other businesses around the world. He has extensive experience in a number of industries, including media and publishing, timber, oil palm, plantations and mills, oil and gas, mining, fishery, information technology and manufacturing. He is the founder of an English newspaper named *The National* in Papua New Guinea and is currently the President of The Chinese Language Press Institute Limited. He was bestowed the Knight Commander of the Most Excellent Order of the British Empire (K.B.E.) by Queen Elizabeth II of the United Kingdom in June 2009 in recognition of his contribution to commerce, community and charitable organisations. In 2010, he was awarded "Malaysia Business Leadership Award 2010 — The Lifetime Achievement Award" by the Kuala Lumpur Malay Chamber of Commerce in recognition of his entrepreneurship and his contribution to the country.

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

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

丹斯里拿督張曉卿爵士

集團執行主席及執行董事

馬來西亞公民，78歲，於1995年10月20日獲委任為世界華文媒體有限公司（「本公司」）主席，他亦於2012年4月1日獲委任為萬華媒體集團有限公司（「萬華媒體」）之主席。萬華媒體為本公司之附屬公司，於香港聯合交易所有限公司（「香港聯交所」）主板上市（股份代號：426）。丹斯里拿督張曉卿爵士亦為馬來西亞大型多元化綜合企業常青集團的執行主席，該集團在全球擁有採伐、加工及製造木材產品、林業及其他業務。他在多個行業均有豐富經驗，包括傳媒及出版、木材、油棕、林業、氣油、礦業、漁業、資訊科技及製造業等。他是在巴布亞新畿內亞出版的英文報章《*The National*》之創辦人，也是世界中文報業協會有限公司的現任會長。他於2009年6月獲英女皇伊利沙伯二世冊封爵級司令勳章(K.B.E.)，以嘉許他對商界、社會及慈善機構的貢獻。他也於2010年榮獲吉隆坡馬來商聯會頒授「2010年度馬來西亞商業領袖大獎—終生成就獎」，以表揚他的企業成就及對國家的貢獻。

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。他現任馬來西亞上市公司常青油棕有限公司（股份代號：5113）及新加坡上市公司常青石油及天然氣有限公司（股份代號：T13）之執行主席。他是星洲日報基金會信託人，同時也出任多間其他私人有限公司（部分為本公司的附屬公司）的董事。

丹斯里拿督張曉卿爵士是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。

Profile of Board of Directors

Dato' Sri Dr TIONG Ik King

Executive Director

Malaysian, aged 61, 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 2012, Dato' Sri Dr TIONG had been and resigned as a non-independent non-executive director of EON Capital Berhad (stock code: 5266) in Malaysia. He currently sits on the board of Jaya Tiasa Holdings Berhad (stock code: 4383), a listed company in Malaysia and RH Petrogas Limited (stock code: T13), a listed company in Singapore. He also serves as a director in other private limited companies.

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

Mr TIONG Kiew Chiong

Executive Director and Group Chief Executive Officer

Malaysian, aged 52, was appointed as an executive director of the Company on 2 May 1998. He is currently the Group Chief Executive Officer, a member of the Group Executive Committee and Remuneration Committee of the Company. Mr TIONG is also the Deputy Chairman of OMG, a subsidiary of the Company which has been publicly listed on the main board of the HK Stock Exchange (stock code: 426) since October 2005. He has extensive experience in media and publishing business and is also one of the founders of *The National*, an English newspaper in Papua New Guinea launched in 1993. Mr TIONG obtained his Bachelor Degree of Business Administration (Honours) from York University, Toronto, Canada in 1982. Mr TIONG currently serves as an executive director of RH Petrogas Limited (stock code: T13), a listed company in Singapore and also sits on the board of various subsidiaries of the Company and several private limited companies.

He is the distant nephew of Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King, both 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.

拿督斯里張翼卿醫生

執行董事

馬來西亞公民，61歲，於1995年10月20日獲委任為本公司執行董事。他在傳媒及出版、資訊科技、木材、林業、油棕及製造業等領域均擁有豐富經驗。拿督斯里張翼卿醫生於1975年畢業於新加坡國立大學，獲頒醫學學士學位，並於1977年取得英國皇家內科醫師學會會員資格。於2008年10月24日，拿督斯里張翼卿醫生獲馬來西亞彭亨州蘇丹頒授拿督斯里封號，以表揚他對國家的貢獻。

截至2012年3月31日的前三年期間，拿督斯里張翼卿醫生曾任及其後辭任馬來西亞的國貿資本有限公司(股份代號：5266)非獨立非執行董事。他現任馬來西亞上市公司常成控股有限公司(股份代號：4383)及新加坡上市公司常青石油及天然氣有限公司(股份代號：T13)的董事。他也出任其他私人有限公司的董事。

他是丹斯里拿督張曉卿爵士的胞弟，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。

張裘昌先生

執行董事兼集團行政總裁

馬來西亞公民，52歲，於1998年5月2日獲委任為本公司執行董事。他目前為集團行政總裁，本公司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2005年10月起在香港聯交所主板上市(股份代號：426)。他在傳媒及出版業擁有豐富經驗。他於1993年在巴布亞新畿內亞參與創辦英文報章《*The National*》。張裘昌先生於1982年畢業於加拿大多倫多約克大學，獲頒工商管理學士(榮譽)學位。張先生目前為新加坡上市公司常青石油及天然氣有限公司(股份代號：T13)之執行董事。他亦出任本公司多間附屬公司及數間私人有限公司之董事。

他是丹斯里拿督張曉卿爵士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。

Profile of Board of Directors

Mr NG Chek Yong

Executive Director and Chairman of the Group Executive Committee

Malaysian, aged 55, was appointed as an executive director of the Company on 1 March 2012. He joined the Group in 1988 and is currently the Chairman of the Group Executive Committee, a member of the Remuneration Committee of the Company and an executive director and Managing Director of Sin Chew. He obtained his higher school certificate from St. Patrick School, Kuching, Sarawak, Malaysia. He began his career as a reporter/feature writer with *See Hua Daily News* in 1979. In 1988, he joined *TO-DAY News Sabah* as the Chief Reporter. He then took up the position of a reporter in Sin Chew. From 1980 to 1988, he was the Secretary-General and Chairman of Sarawak Constellation Poetical Society. Moreover, he was the President of Federation of Sarawak Journalists Association as well as the President of Kuching Division Journalists Association in Malaysia from 1990 to 1991. He is also a director of other private limited companies.

黃澤榮先生

執行董事及集團行政委員會主席

馬來西亞公民，55歲，於2012年3月1日獲委任為本公司執行董事。他於1988年加入本集團，現任集團行政委員會主席、本公司薪酬委員會成員及星洲媒體的執行董事兼董事總經理。他於馬來西亞砂拉越古晉省St. Patrick School考獲高級劍橋文憑。他於1979年加入《*詩華日報*》當記者／專題作家，於1988年加入《*沙巴今日新聞*》擔任首席記者，其後加入星洲媒體當記者。於1980年至1988年期間，他出任砂拉越星座詩社秘書及主席。此外，他於1990年至1991年期間出任馬來西亞砂拉越新聞從業員協會主席及古晉省新聞從業員協會主席。他也出任其他私人有限公司的董事。

Ms SIEW Nyoke Chow

Executive Director

Malaysian, aged 56, was appointed as an executive director of the Company on 20 March 2008. She is currently the Chairman of the Group Editorial Committee, a member of the Group Executive Committee and the Group Editor-In-Chief. Ms SIEW obtained her high school certificate from Tunku Abdul Rahman College, Malaysia in 1977, and a certificate of intensive course of journalism in Manila in 1983. She started her career as a reporter in Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad (former publisher of *Sin Chew Daily*) in 1978. She was appointed as the Head of Culture and Education Department of Sin Chew in 1992, Deputy Chief Editor in 1995 and subsequently Group Editor-In-Chief in 2000. She has vast experience in journalism and won many journalism awards from The Malaysian Press Institute and The Malaysian Chinese Editor's Association. She is one of the founders of Cambodia *Sin Chew Daily*.

Ms Siew is currently a council member of the Malaysian National News Agency (BERNAMA), an Advisor to the World Chinese Culture Research Centre of Fudan University, Shanghai and a Special Researcher at the World Chinese Media Research Centre of Beijing University. In 2011, she received "The Most Outstanding Malaysian Women Award — Loving & Caring Ambassador" from The Malaysian Ministry of Women, Family and Community Development for spearheading the charitable activities undertaken by the Group. 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 other private limited companies in Malaysia.

蕭依釗女士

執行董事

馬來西亞公民，56歲，於2008年3月20日獲委任為本公司執行董事。她目前為集團編輯委員會主席、集團行政委員會成員兼集團總編輯。蕭女士於1977年在馬來西亞拉曼學院考獲高級劍橋文憑；其後於1983年在馬尼拉獲新聞專業課程證書。她於1978年加入星系報業（馬來西亞）私人有限公司（《*星洲日報*》前出版人）擔任記者，展開她的新聞工作生涯，更於1992年獲擢升為星洲媒體文教部主任，她於1995年擔任副總編輯，其後於2000年晉升為集團總編輯。她在新聞業方面具備豐富經驗，並曾贏得馬來西亞新聞學會及馬來西亞報刊編輯人協會頒發的多個新聞業獎項。她是柬埔寨《*星洲日報*》其中一名創辦人。

她現任馬來西亞國家新聞社理事會理事、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。於2011年，她榮獲由馬來西亞婦女、家庭及社會發展部所主辦的「傑出華裔女性巾幗獎 — 愛心大使獎」，以表揚她帶動本集團推展慈善活動。蕭女士為星洲日報基金會及國際公正世界組織信託人，也是本公司多間附屬公司及其他馬來西亞的私人有限公司的董事。

Profile of Board of Directors

Mr LEONG Chew Meng

Non-executive Director (Non-independent)

Malaysian, aged 56, 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 his Bachelor of Commerce and Administration Degree majoring in accountancy from the Victoria University of Wellington in New Zealand. He is a Chartered Accountant of the Malaysian Institute of Accountants and qualified as an Associate Chartered Accountant of the Institute of Chartered Accountants, New Zealand. He is an accountant by profession, having extensive working experience for over 30 years in Malaysia. Prior to diversifying into the business sector as a 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 2012, Mr LEONG had been and resigned as an independent non-executive director of Pulai Springs Berhad (stock code: 5059) on 1 September 2009, which is a listed company in Malaysia.

梁秋明先生

非執行董事(非獨立)

馬來西亞公民，56歲，於2008年4月14日獲委任為本公司非執行董事。他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取得商管學學士學位，主修會計。他是馬來西亞會計師公會的特許會計師及紐西蘭特許會計師公會的特許會計師。他是一名專業會計師，在馬來西亞擁有超過30年的工作經驗。在晉身商界、出任商業諮詢顧問之前，他曾於數間經營製造業、貿易及零售業的外資跨國公司出任財務主管及財務總監。

截至2012年3月31日的前三年期間，梁先生曾任及其後辭任馬來西亞上市公司(蒲萊泉有限公司(股份代號：5059，於2009年9月1日辭任))的獨立非執行董事。

Mr David YU Hon To

Independent Non-executive Director

Chinese, aged 64, was appointed as an independent non-executive director of the Company on 30 March 1999. He is the Chairman of the Audit Committee, and a member of the Remuneration Committee and Nomination Committee of the Company. He is also an independent non-executive director of OMG, a subsidiary of the Company which has been publicly listed on the main board of the HK Stock Exchange (stock code: 426) since October 2005 and Ming Pao Holdings Limited, a wholly-owned subsidiary of the Company. Mr YU is a Fellow of the Institute of Chartered Accountants in England and Wales and an Associate of the Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance, auditing and corporate management. Mr Yu is the vice chairman of MCL Partners Limited, a Hong Kong based financial advisory and investment firm.

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

俞漢度先生

獨立非執行董事

中國公民，64歲，於1999年3月30日獲委任為本公司獨立非執行董事。他是本公司的審核委員會主席，以及薪酬委員會及提名委員會成員。另外，他也是萬華媒體及本公司全資附屬公司明報集團有限公司的獨立非執行董事。萬華媒體是本公司附屬公司，自2005年10月起於香港聯交所主板上市(股份代號：426)。俞先生為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。他是一間國際會計師事務所的前合夥人，擁有豐富的企業融資、審核及企業管理經驗。他為偉業資本有限公司的副董事長，該公司專門在香港從事財務顧問及投資等活動。

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)、卓越金融有限公司(股份代號：727)、中國再生能源投資有限公司(股份代號：987；前稱香港新能源(控股)有限公司)、海爾電器集團有限公司(股份代號：1169)、賽得利控股有限公司(股份代號：1768)、中國大唐集團新能源股份有限公司(股份代號：1798)、新昌管理集團有限公司(股份代號：2340)及千里眼控股有限公司(股份代號：8051)的獨立非執行董事，該等公司均為香港上市公司。

Profile of Board of Directors

Tan Sri Dato' LAU Yin Pin

Independent Non-executive Director

Malaysian, aged 63, was appointed as an independent non-executive director of the Company on 14 April 2008. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Tan Sri Dato' LAU obtained his Diploma in Commerce with distinction from Tunku Abdul Rahman College, Malaysia in 1974. He has been a member of the Malaysian Institute of Accountants since 1979. He was made Fellow of the 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 appointed as Senator of Dewan Negara for a three-year term commencing 25 November 2002 by Seri Paduka Baginda Yang di-Pertuan Agong, Malaysia until his voluntary resignation in March 2004.

During the three-year period immediately preceding 31 March 2012, Tan Sri Dato' LAU had been and subsequently resigned as an independent non-executive director of Tenaga Nasional Berhad (stock code: 5347) effective from 15 September 2010. 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 an independent non-executive director of two other listed companies in Malaysia, namely YTL Power International Berhad (stock code: 6742) and Ahmad Zaki Resources Berhad (stock code: 7078).

丹斯里拿督劉衍明

獨立非執行董事

馬來西亞公民，63歲，於2008年4月14日獲委任為本公司獨立非執行董事。他也是本公司之薪酬委員會主席，以及審核委員會及提名委員會成員。丹斯里拿督劉衍明在1974年考獲馬來西亞拉曼學院商業文憑（特優）。他自1979年成為馬來西亞會計師公會會員。他於1981年成為英國特許會計師公會的資深會員及於1987年成為英國特許秘書及行政人員公會畢業會員。他獲國家元首委任為上議員，任期從2002年11月25日開始為期三年，直到2004年3月自願辭任。

截至2012年3月31日的前三年期間，丹斯里拿督劉衍明曾任國家能源有限公司（股份代號：5347）的獨立非執行董事，並於2010年9月15日辭任。他亦曾任星報（馬來西亞）有限公司（股份代號：6084）主席，其後於2009年2月25日辭任。丹斯里拿督劉衍明目前是兩間馬來西亞上市公司楊忠禮國際電力有限公司（股份代號：6742）及阿末查基資源有限公司（股份代號：7078）的獨立非執行董事。

Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

Independent Non-executive Director

Malaysian, aged 69, was appointed as an independent non-executive director of the Company on 20 March 2008. He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. He graduated from the Chartered Institute of Business Administration, Ireland. He was the Political Secretary to the Chief Minister of Sarawak, Malaysia from 1967 to 1970; a member of Council Negeri Sarawak, Malaysia from 1970 to 1974; the Political Secretary to Federal Minister for Sarawak Affairs; the Political Secretary to the Deputy Prime Minister and Prime Minister from 1974 to 1981; and Senator from 1981 to 1987. He was conferred the title of Datuk, Darjah Bintang Kenyalang Sarawak (PGBK) on 16 September 1988. He was also conferred the title of Temenggong for Kapit Division by the State Government of Sarawak, Malaysia in 2003 in recognition of his contribution to the community.

He serves as an independent director of Subur Tiasa Holdings Berhad (stock code: 6904), which is a listed company in Malaysia, and holds directorships in several private limited companies in Malaysia.

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，69歲，於2008年3月20日獲委任為本公司之獨立非執行董事。他是本公司的提名委員會主席，以及審核委員會及薪酬委員會成員。他畢業於愛爾蘭商業管理學院。他於1967年至1970年間出任馬來西亞砂拉越首席部長政治秘書；1970年至1974年，獲選為馬來西亞砂州議員；1974年至1981年，任砂拉越聯邦政府秘書以及副首相及首相政治秘書；1981年至1987年，被委任為上議員。他於1988年9月16日 獲 頒 授Darjah Bintang Kenyalang Sarawak (PGBK)拿督勛銜。為了表揚他對伊班族之貢獻，砂拉越政府於2003年亦委任他為加帛省天猛公，即伊班族之最高領袖。

他是常豐控股有限公司（馬來西亞上市公司，股份代號：6904）的獨立董事，亦擔任馬來西亞多間私人有限公司的董事。

Profile of Board of Directors

Notes:

Conflict of interest

Save for Tan Sri Datuk Sir TIONG Hiew King, Dato' Sri Dr TIONG Ik King and Mr TIONG Kiew Chiong, who are related parties in some related party transactions with the Group, the details of which are set out in the circular dated 23 July 2012 and on pages 44 to 49 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 2012 is set out on page 35.

附註：

利益衝突

除丹斯里拿督張曉卿爵士、拿督斯里張翼卿醫生及張裘昌先生（為本集團若干關連方交易中之有關連方，有關詳情載於2012年7月23日刊發之通函及年報第44至49頁）外，概無其他董事與本公司有任何利益衝突。

犯罪紀錄

除交通違規外，概無任何董事於過去十年內有任何犯罪紀錄。

家族成員關係

除所披露者外，概無其他董事與本公司任何董事及／或主要股東有任何家族關係。

董事於截至2012年3月31日止財政年度之董事會會議出席記錄載於第35頁。

Profile of Senior Management

Mr ONG See Boon, Malaysian, aged 61, joined the Group in 1997. He is a member of the Group Executive Committee and the Hong Kong Executive Committee. He is also the Hong Kong Group Editorial Director and Special Assistant to the Group Executive Chairman. He holds directorships in various subsidiaries of the Company. Mr ONG, who started his career as a journalist in Sin Chew, has over 36 years of experience in the newspaper industry in Hong Kong and Malaysia. Before joining the Company, he held various key positions and directorships in companies of the Rimbunan Hijau Group in Mainland China.

翁昌文先生，馬來西亞公民，61歲，於1997年加入本集團，為集團行政委員會及香港行政委員會成員。他是香港集團編務董事，以及集團執行主席的特別助理。他出任本公司多間附屬公司的董事。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36年。加入本公司之前，他曾為常青集團於中國內地的公司擔任多個重要職位及董事。

Mr NG Kait Leong, Malaysian, aged 59, 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, United Kingdom and later obtained his Advance Certificate in Graphic Reproduction from City & Guilds of London Institute, United Kingdom. He was the Production Manager of Nanyang from 1974 to 1983, was promoted to the position of Senior Production Manager in 1983 and became the General Manager (Production) from 1986 to 1989. He joined Sin Chew as Technical and Project Consultant in 1990, joined MAN Roland Asia Pacific as Regional Technical Director in 1993 and re-joined Sin Chew as Group Technical and Project Consultant from 2002 to 2006.

伍吉隆先生，馬來西亞公民，59歲，於2007年加入本集團。他是南洋報業的執行董事及馬來西亞行政委員會成員。他畢業於英國倫敦印刷學院，其後獲英國城市專業學會頒發圖像複製高級證書。他於1974年至1983年期間任職南洋報業生產經理，並於1983年擢升為高級生產經理，及後於1986年至1989年期間出任生產部總經理。他於1990年加入星洲媒體擔任技術及項目顧問，於1993年轉投曼羅蘭亞太出任地區技術董事，及後於2002年至2006年期間重返星洲媒體出任集團技術及項目顧問。

Ms CHAN May May, Malaysian, aged 45, joined the Group in 2005. She is the General Manager of Group Project Operations. She is also a member of the Malaysian Executive Committee. She initially took up the position as Head of Legal & Corporate Services and subsequently moved into operations. She has extensive experience in corporate finance, investor relations, group compliance and corporate communication. She obtained her law degree LL.B (Hons) from University Malaya and was admitted to the Malaysian Bar in 1991. She has practised in the following areas, i.e litigation, conveyancing, banking, corporate and capital markets. She retired as a partner of Messrs Zaid Ibrahim & Co in March 2005.

陳美美女士，馬來西亞公民，45歲，於2005年加入本集團。她現任集團專項營運總經理。她是馬來西亞行政委員會成員。她起初擔任本公司法律及企業服務主管，其後參與營運工作。她擁有企業融資、投資者關係、集團合規及企業傳訊的豐富經驗。她於1991年畢業於馬來亞大學，獲頒馬來亞法律(榮譽)學士學位，並成為馬來西亞律師公會成員。她的執業範圍包括訴訟、轉易、銀行、企業及資本市場。她於2005年3月退任Messrs Zaid Ibrahim & Co合夥人。

Mr WEE Tee Fatt, Malaysian, aged 51, joined the Group in 1993. He is currently the Chief Financial Officer of Nanyang and member of the Malaysian Executive Committee. He obtained his Diploma in Commerce from Tunku Abdul Rahman College, Malaysia in 1986. Mr Wee obtained his Master of Science in Investment Analysis from University of Stirling, United Kingdom. He is a Chartered Accountant of the Malaysian Institute of Accountants and has obtained his accounting training in United Kingdom. Prior to joining the Group, he was a financial analyst in a leading property company and an investment analyst in a fund management company. Mr Wee has extensive experience in corporate finance, investment management, accounting and taxation.

王世發先生，馬來西亞公民，51歲，於1993年加入本集團。他現任南洋報業的財務總監及馬來西亞行政委員會成員。他於1986年在馬來西亞拉曼學院考獲商業文憑，並獲英國斯特林大學頒授投資分析理學碩士學位。他是馬來西亞會計師公會特許會計師，並於英國接受會計培訓。加入本集團前，他曾任一間具領導地位之物業公司的財務分析員及一間基金管理公司的投資分析員。王先生擁有豐富的企業融資、投資管理、會計及稅務經驗。

Profile of Senior Management

Mr CHEUNG Kin Bor, Chinese, aged 57, joined the Group in 1986. He is the Editorial Director 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 34 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，57歲，於1986年加入本集團。他是*《明報》*的編務總監。他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34年的出版及編採經驗。加入本集團前，他曾在*《信報財經月刊》*及*《信報》*工作。在2000年，他曾出任香港新聞行政人員協會主席一職。

Mr Keith KAM Woon Ting, Chinese, aged 55, joined the Group in 1995. He is the Chief Operating Officer of Ming Pao Holdings Limited, Mingpao.com Limited and Yazhou Zhoukan Limited. He is also a member of the Hong Kong Executive Committee. Mr KAM has been in the media and newspaper industry since 1976. Prior to joining the Group, he had held various positions in advertising and marketing firms as well as a newspaper publishing company, namely, Express News Limited. Mr KAM has extensive managerial experience in publishing, advertising and distribution of newspapers and media products. He has been the Chairman of The Newspaper Society of Hong Kong since 2007.

甘煥騰先生，中國公民，55歲，於1995年加入本集團。他是明報集團有限公司、明報網站有限公司及亞洲週刊有限公司之營運總裁。他是香港行政委員會成員。甘先生自1976年起已從事傳媒及報業工作。加入本集團前，他曾在多間廣告及市場推廣公司擔任多個職位，並在一間報章出版公司快報有限公司任職。甘先生於報章及傳媒產品之出版、廣告及發行方面擁有豐富管理經驗。甘先生自2007年起一直擔任香港報業公會主席。

Mr LAM Pak Cheong, Chinese, aged 43, joined the Group in 2000. He is the Head of Finance and a member of the Hong Kong Executive Committee. He is also an executive director and the Chief Executive Officer of OMG. Mr LAM has extensive experience in corporate development, financial management, mergers and acquisitions, corporate governance and investor relations. He is an Associate of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Mr LAM obtained his Master of Business Administration in Financial Services jointly from the University of Manchester and the University of Wales, Bangor in the United Kingdom and Master of Corporate Governance from the Hong Kong Polytechnic University.

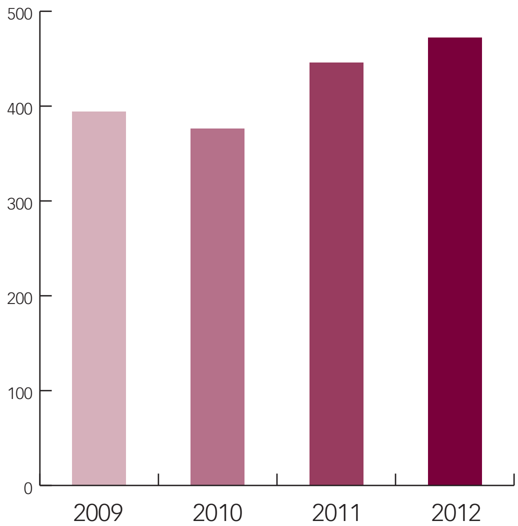
林栢昌先生，中國公民，43歲，於2000年加入本集團。他為集團之財務總裁及香港行政委員會成員。他亦是萬華媒體的執行董事及行政總裁。林先生在企業發展、財務管理、合併收購、企業管治及投資者關係方面擁有豐富經驗。他是香港特許秘書公會以及英國特許秘書及行政人員公會會士。林先生獲英國曼徹斯特大學及威爾斯大學（班戈）聯合頒授財務服務學工商管理碩士學位，以及香港理工大學頒授公司管治碩士學位。

Mr LAU Chun To, Kevin, Chinese, aged 47, joined the Group in 1995. He is a member of the Hong Kong Executive Committee. He is also the Chief Editor of *Ming Pao Daily News* and a director of Ming Pao Newspapers Limited and Mingpao.com Limited. He has over 22 years of experience in newspaper journalism and editorial in Hong Kong. He began his journalistic career in 1989 working for a financial daily newspaper as political news reporter and column writer. He graduated from the Law Faculty of the University of Hong Kong with a law degree (LL.B) and a professional certificate of legal practice (P.C.LL.). He later obtained his Master of Law Degree from the London School of Economics and Political Science.

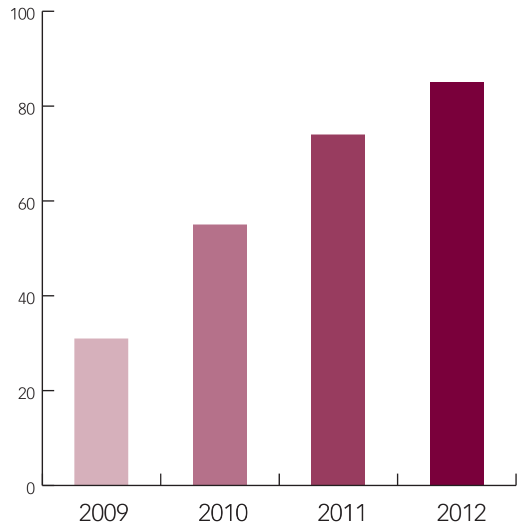
劉進圖先生，中國公民，47歲，於1995年加入本集團。他是香港行政委員會成員。他也是*《明報》*的總編輯，及明報報業有限公司及明報網站有限公司的董事。他在香港擁有超過22年的報章新聞及編採經驗。他於1989年擔任一份財經日報的政治新聞記者及專欄作家，開展新聞及記者事業。他畢業於香港大學法律學院，獲頒法律學士學位及法律專業執業證書。他其後獲倫敦經濟及政治科學學院頒授法律碩士學位。

Chairman's Statement

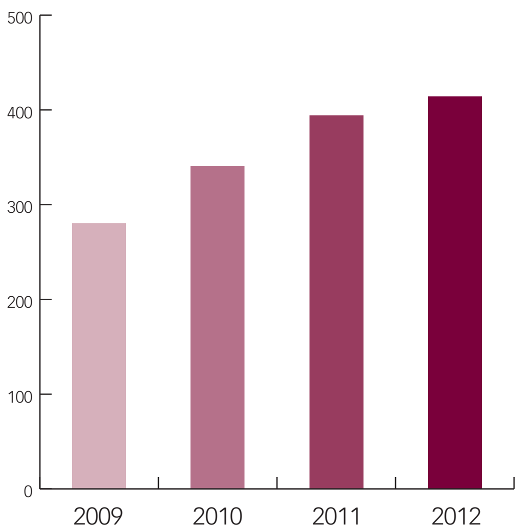
Turnover (US$ million)



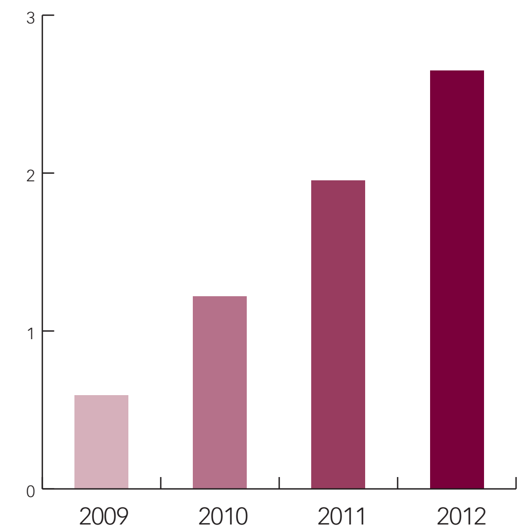
Profit Before Income Tax (US$ million)



Equity Attributable to Equity Holders of the Company (US$ million)



Dividend Per Share (US cents)



	For the year ended 31 March			
	2009	**2010**	**2011**	**2012**
Turnover (US$ million)	394	376	446	472
Profit before income tax (US$ million)	31	55	74	85
Equity attributable to equity holders of the Company (US$ million)	280	341	394	414
Dividend per share (US cents)	0.593	1.221	1.953	2.648
Basic earnings per share (US cents)	1.00	2.44	3.26	3.75
Net assets per share attributable to equity holders of the Company (US cents)	16.62	20.27	23.41	24.51

Chairman's Statement

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

Dear Shareholders,

On behalf of the board of directors (the "Board") of Media Chinese International Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2012.

But before going into that, I would like to take this opportunity to extend my heartfelt thanks to Mr Tiong Kiu King, my dear brother who passed away in January this year, and Ms Sim Sai Hoon for their contribution to the Group as the Company's executive director and non-executive director respectively. Mr Tiong Kiu King's passing is certainly a loss to me as a brother as well as a dedicated executive director of the Company. Ms Sim, on the other hand, resigned in April this year to take care of her family business. To this, we wish her every success.

It was another record-breaking year for the Group. Profit before income tax hit historical high on strong growth momentum seen across most of the key operations of the Group, reaching US$84,915,000 for the year ended 31 March 2012.

各位股東：

本人謹此代表世界華文媒體有限公司(「本公司」)董事會(「董事會」)，欣然提呈本公司及其附屬公司(「本集團」)截至2012年3月31日止財政年度的年度業績。

在提呈業績之前，本人謹藉此機會，向於本年1月辭世的胞弟張鉅卿先生及沈賽芬女士分別出任本公司執行董事及非執行董事以來為本集團所作出之貢獻致以衷心謝意。張鉅卿先生辭世令本人痛失胞弟及為本公司盡心盡力的執行董事。另沈女士於本年4月辭任以專注其家族事務。就此，我們謹此祝願她未來發展順利。

本集團於本年度再次錄得創紀錄佳績，大部分主要業務增長強勁。於截至2012年3月31日止年度的除所得稅前溢利創紀錄新高，達84,915,000美元。

Chairman's Statement

The growth in turnover was primarily driven by a 6% increase in publishing and printing revenue with tour revenue reporting good underlying growth as well. The Group's advertising revenue continued to increase, benefiting from expanded advertising spending driven by continued steady economic growth in the Group's major markets. With the rise in advertising income, the Group's publishing and printing segment reported again a record turnover and profit before income tax of US$401,920,000 and US$83,387,000 respectively for the financial year under review.

營業額有所增長，主要受出版及印刷收益上升6%以及旅遊業務收入增長理想所帶動。受惠於廣告消費因本集團主要市場經濟持續穩步增長而有所增加，本集團廣告收入得以繼續上升。隨著廣告收入增長，本集團於回顧財政年度內出版及印刷分部之營業額及除所得稅前溢利錄得有紀錄最高，分別為401,920,000美元及83,387,000美元。

According to the Nielsen Media Research Report, total newspaper advertising expenditure in Peninsular Malaysia for the period from April 2011 to March 2012 grew by 9% to RM3.89 billion (equivalent to US$1.27 billion). In Hong Kong, total gross advertising expenditure for the same period grew by 16%, with the spending on newspapers and magazines rose by 13% according to the research data from Admango.

根據尼爾森媒體研究報告(Nielsen Media Research Report)，自2011年4月起至2012年3月止期間，馬來西亞半島的報章廣告開支總額增加9%至38.9億馬幣（相當於12.7億美元）。而根據Admango的研究數據顯示，香港於同期的廣告開支總額增長16%，其中於報章及雜誌之廣告開支亦增加了13%。

Supported by high demand for long-haul tours, the travel business segment of the Group also delivered encouraging results, with record profit before income tax of US$2,461,000 for the year ended 31 March 2012.

受惠於長線旅行團需求高企，本集團旅遊業務分部的業績亦令人鼓舞，截至2012年3月31日止年度的除所得稅前溢利創出2,461,000美元之紀錄新高。

The strong performance and cash flow have further strengthened the Group's balance sheet. As at 31 March 2012, the Group's net assets stood at US$420 million, 5% higher than the previous year's US$400 million. Basic earnings per share were US3.75 cents, representing an increase of 15% compared with previous year's figure.

強勁的表現及現金流量進一步改善本集團資產負債狀況。於2012年3月31日，本集團的資產淨值為420,000,000美元，較上年度的400,000,000美元高出5%。每股基本盈利為3.75美仙，亦較上年度增加15%。

These record-breaking achievements evidence the Group's successful growth strategy: expansion via merger and acquisition, followed by integration and consolidation. The Group completed the merger of Ming Pao Enterprise Corporation Limited, Sin Chew Media Corporation Berhad and Nanyang Press Holdings Berhad in April 2008, and then focused on ensuring smooth integration of various businesses under the Group. Thereafter, the Group continued to strengthen its existing businesses, which enabled it to ride through the 2008 financial crisis and international economic uncertainty caused by the US and European debt crisis. Consolidation has also allowed the Group to improve its efficiency and capitalise on the fast growing Asian markets to keep achieving record annual results.

本集團創紀錄之佳績，足以證明本集團透過併購及隨後整合進行擴展的發展策略成功。本集團於2008年4月完成合併明報企業有限公司、星洲媒體集團有限公司及南洋報業控股有限公司，其後著重順利整頓本集團旗下各項業務。此後，本集團繼續加強現有業務，得以渡過2008年金融危機以及因美國及歐洲債務危機引發的環球經濟不明朗情況。合併亦有助本集團提升其效率及把握亞洲市場快速增長機遇，務求再創佳績。

Now the Group needs to prepare itself to elevate to another level. In addition to continued enhancement of existing businesses, the Group will prudently identify and select suitable acquisition targets that will create synergies with its existing operations as well as improve its revenue and profitability.

本集團目前需要作好準備，再創另一高峰。除持續改善現有業務外，本集團將審慎物色及甄選合適收購目標，為現有業務營運帶來協同效應，並提升其收益及盈利能力。

Chairman's Statement

DIVIDENDS

The Board had declared a second interim dividend, in lieu of a final dividend, of US1.448 cents per ordinary share to be paid on 27 June 2012. Together with the first interim dividend of US0.800 cents per share and a special dividend of US0.400 cents paid during the year under review, the total payout of US2.648 cents per share represents an increase of 36% from that of the last financial year.

股息

董事會宣布將於2012年6月27日派發第二次中期股息每股普通股1.448美仙以取代末期股息。連同於回顧年度內派發的第一次中期股息每股0.800美仙及特別股息每股0.400美仙，本年度合共派發每股2.648美仙，較上一個財政年度增加36%。

PROSPECTS

The year 2012 will be a challenging year for the global economy under the shadow of the European debt crisis, US presidential election in November and economic slowdown worldwide. In view of the economic uncertainty, the Group will continue to exercise stringent cost control to improve cost efficiency, solidify existing businesses and pursue acquisition targets in a prudent manner. Barring any unforeseen circumstances, the Board remains cautiously optimistic on the Group's performance for the financial year 2012/2013.

展望

全球經濟受歐洲債務危機、美國11月總統大選及環球經濟放緩籠罩，2012年將會是充滿挑戰的一年。有鑑於經濟前景不明朗，本集團仍將實施嚴格成本監控以改善成本效益，鞏固現有業務，並審慎物色收購目標。若無不可預見之情況，董事會對本集團2012/2013財政年度之表現保持審慎樂觀。

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank the management and employees of the Group for their contribution and dedication. I would also like to express my sincere gratitude to our shareholders, business partners, customers and readers for their continuous support.

致謝

本人謹藉此機會代表董事會，感謝本集團管理層及僱員所作出之貢獻及努力。本人亦衷心感謝股東、業務夥伴、客戶及讀者一直以來之鼎力支持。

Tan Sri Datuk Sir TIONG Hiew King
Group Executive Chairman
30 May 2012

丹斯里拿督張曉卿爵士
集團執行主席
2012年5月30日

Management Discussion and Analysis

FINANCIAL HIGHLIGHTS

	For the year ended 31 March		
(in US$'000)	**2012**	2011	**Change**
Turnover	**472,237**	445,844	6%
Profit before income tax	**84,915**	74,207	14%
Profit for the year	**64,343**	55,785	15%
Profit attributable to equity holders of the Company	**63,209**	54,825	15%
Basic earnings per share (US cents)	**3.75**	3.26	15%

OVERALL REVIEW OF OPERATIONS

The results of the Group for the year ended 31 March 2012 reflected a strong underlying performance of its businesses, benefiting from their strong market positions and the steady improvement in the economies of the Group's key markets.

Turnover of the Group for the year under review amounted to US$472,237,000, representing a year-on-year growth of 6%. Profit before income tax rose by 14% to US$84,915,000 when compared to the previous financial year, while profit for the year increased by 15% to US$64,343,000. Driven by the encouraging performance of the Group's publishing and printing operations as well as its travel segment, the Group achieved this double-digit growth in profit despite the rise in costs, in particular newsprint and tour costs. With respect to the publishing and printing segment, turnover and profit before income tax grew by 6% and 14% to US$401,920,000 and US$83,387,000 respectively when compared to the previous financial year. The increase in the profit of the publishing and printing segment was driven by the strong growth in advertising revenue with increase in both volume and rate.

The travel segment reported a turnover of US$70,317,000 and profit before income tax of US$2,461,000 for the year under review, representing increases of 8% and 30% respectively from those of the previous financial year.

The strengthening of Ringgit Malaysia and Canadian dollar against the US dollar during the year under review had positive impact of about US$8,142,000 and US$1,627,000 on the Group's turnover and profit before income tax respectively.

Basic earnings per share for the year ended 31 March 2012 amounted to US3.75 cents, representing a 15% increase from that of the previous financial year. As at 31 March 2012, the Group's cash and cash equivalents and net assets per share attributable to equity holders of the Company amounted to US$134,657,000 and US24.51 cents respectively.

SEGMENTAL REVIEW

Publishing and Printing

Malaysia and other Southeast Asian countries

The Malaysian operations continued to deliver excellent results, driven by the growth in the Malaysian economy. Revenue and profit before income tax of the Malaysian operations reached record highs of US$291,997,000 and US$72,718,000 respectively, representing increases of 6% and 13% respectively from those of the previous financial year.

Management Discussion and Analysis

Much of the growth in its operating results was driven by an 8% year-on-year increase in advertising revenue for the year under review. This improvement was also the result of growth in other income and in part offset by higher operating costs incurred during the year. The increase also reflected the Malaysian operations' success in leveraging the strong market positions of its four daily newspapers and effective sales packages to leverage on the advertising budget boost in Malaysia. According to Nielsen, total advertising spending in Malaysia amounted to RM7.75 billion (equivalent to US$2.53 billion) for the period from April 2011 to March 2012. Advertising spending on newspapers for the same period amounted to RM3.89 billion (equivalent to US$1.27 billion), representing an increase of 9% year-on-year. The increase in advertising revenue for our Malaysian operations was seen across almost all categories of advertisement, with strong growth from property, banking, telecommunications and government sectors.

The Group's four Chinese newspapers in the Malaysia segment have different market positions targeting different segments of readers of different profiles and needs. This clear segmentation promotes the growth of the Group's publications operating in the same marketplace. With a total combined average daily readership of 2,794,000, the four daily publications continued to command a leading position in their respective market segments for the year under review.

Sin Chew Daily maintained its market leadership in the Chinese newspapers market, with an average daily readership of 1,237,000 readers during the year under review. Its readership rose by 4% as compared to the same period last year, while circulation continued to grow.

China Press continued to be the largest selling evening newspaper as well as the second most popular Chinese newspaper in Malaysia during the year under review. Its average daily readership rose by 8% to 1,011,000 readers during the year. In February 2012, it relaunched its regional edition. New fonts were used and new layouts were employed. The new look and vibrant content of *China Press*'s regional edition were well received.

Guang Ming Daily, a regional newspaper, attracted 409,000 readers on a daily basis during the year under review, making it the most popular newspaper in the northern region. It constantly reviews its content to enhance its position in the challenging northern region of Peninsular Malaysia market.

With a focus on business and economic news, *Nanyang Siang Pau* maintained an average daily readership of 137,000 readers during the year under review.

Our magazine publishing business Life Magazines has delivered a positive performance in a competitive and challenging market over the past twelve months.

Life Magazines is a renowned Chinese magazine publisher in Malaysia with a portfolio of 19 titles covering current affairs, interior design, women's lifestyle and fashion, men's lifestyle, parenting, bridal and food, including magazine titles such as *Feminine*, *New Tide*, *Citta Bella*, *Oriental Cuisine*, *Mommy Baby*, *Long Life* and *Rod & Line*.

Hong Kong and Mainland China

Results of the operations in Hong Kong and Mainland China for the year under review maintained the upward momentum of 2010/2011 financial year. Turnover for the year ended 31 March 2012 increased by 7% to US$79,924,000, while profit before income tax surged by 76% to US$9,217,000 when compared to the previous financial year.

The Group's publishing and printing businesses in Hong Kong and Mainland China are operated through *Ming Pao Daily News*, a popular Chinese daily newspaper; Mingpao.com, a news portal in Hong Kong covering a wide spectrum of subjects; and One Media Group ("OMG"), the Group's magazine publication arm listed on The Stock Exchange of Hong Kong Limited.

Management Discussion and Analysis

The notable improvements in the results of the operations in Hong Kong and Mainland China were underpinned by the growth in advertising revenue.

During the year, *Ming Pao Daily News* continued to attract prestigious brands' advertisers owing to its reputation for delivery of quality contents which appeal to higher-income demographics. According to Nielsen Hong Kong Media Index, *Ming Pao Daily News* was the only daily newspaper among the top five highly circulated daily newspapers to register an increase in readership in 2011. With its firm stand for professional journalism and comprehensive coverage of social, political and economic issues, *Ming Pao Daily News* saw satisfactory growth in advertising revenue, despite the increase in the number of free newspapers in the market during the year under review.

With its excellent operating results achieved during the year, contributions from OMG to the Group improved significantly. OMG's turnover and profit before income tax rose by 12% and 48% from those of the previous financial year respectively. This remarkable performance was attributable to OMG's continued efforts to improve its operations and cost structure, while at the same time broaden its earnings base through fine-tuning and diversifying its platforms to reach a wider spectrum of readers, which in turn serve to retain and attract new advertisers.

Ming Pao Weekly 明報周刊 ("MP Weekly"), *Top Gear 極速誌*, and *Top Gear 汽車測試報告* under OMG continued to be among the favourite choices of advertisers. Leveraging their niche market positioning and rich editorial contents, all three magazine titles reported satisfactory growth in advertising revenue as well as contributions to OMG.

During the year under review, OMG launched its watch magazine, *MING Watch 明錶* and a new travel guide, *Travel Planner*, with an aim to broaden its revenue stream. *MING Watch*, the professional watch magazine, through its unique positioning and rich contents, has attracted prominent brands' advertisers and has started to make positive contributions for OMG. *Travel Planner*, targeted at the mass market, is intended to complement another guidebook of OMG Group, *Hong Kong Voyage*, which is for the high-end segment.

North America

Results of the operations in North America during the year reflected the impact of rising staff and newsprint costs as well as a union issue in Toronto, in which certain amount of legal costs were incurred during negotiations. Profit before income tax decreased to US$1,452,000 from US$3,468,000 in the previous financial year, despite a slight increase in turnover from US$29,790,000 to US$29,999,000. This business segment is expected to be back on track to normal growth in the 2012/13 financial year.

Travel

The Group operates its travel business through Charming Holidays and Delta Group. Just as Charming Holidays celebrated its silver jubilee in 2012, the travel segment reported record profit before income tax for the year under review, which reaffirmed Charming Holidays' niche position in the travel industry.

Turnover rose by 8% year-on-year to US$70,317,000, while profit before income tax surged by 30% to US$2,461,000 as compared to the previous financial year, despite inflationary pressure on the segment's cost structure. This was mainly due to the travel operations' continuing improvement in performance, especially in the first half of the financial year, driven by robust demand for their long-haul tours.

Management Discussion and Analysis

Digital Media

Media contents will continue to be delivered in various types of platforms to reach a wider spectrum of readers. That will be the trend for the media industry. In view of this, the Group has been investing in digital media, in addition to print publications. This way, the Group can enhance the utilisation of its contents by distribution via multimedia platforms. The combination of the print and digital media across different markets will not only expand the Group's readership base, but also enable the Group to provide comprehensive marketing solutions to advertisers and expand revenue base through cross-selling among its various titles. The Group will continue to diversify its platforms for advertising to attract advertisers who are looking for creative marketing channels to reach its target audience more effectively.

During the year under review, the Group's Chinese news website www.sinchew.com.my in Malaysia gained increasing popularity with about 9,472,000 unique visitors, an increase of 18% and about 121,751,000 page views, an increase of 17% year on year (source: Google Analytics). The improvement was mainly due to the Group's continued application of various innovative initiatives to attract readers and advertisers.

Mingpao.com, the Group's online platform in Hong Kong, continued to attract a global audience with its comprehensive range of topics including news, current affairs, finance, health, education, technology, travel, entertainment and lifestyle.

Partyline, a social networking application powered by MP Weekly, was launched in November 2011. It brings to audience the hottest events in Hong Kong, including fashion show parties of illustrious brands and private parties of well-known celebrities etc.

The Group provides online quality entertainment content through hihoku, which attracts a daily page view of about 500,000. hihoku is under the operation of OMG and is currently targeted at the younger audience in Mainland China. It plans to expand the geographical scope of its target audience to Hong Kong and Taiwan in the future.

OUTLOOK

2012 is an eventful year, with uncertainties looming and opportunities hidden. The recent election of the Chief Executive of Hong Kong, the coming Malaysian general election, the London Olympic Games, China top party and military leadership reshuffle at the 18th National Congress of the Communist Party of China, the US presidential election as well as the unresolved European debt crisis will play their roles in shaping not only their respective economies but also the global economic environment. With these uncertainties, the Group expects the local businesses and consumer spending to be conservatively prudent and this may impact the Group's advertising revenue.

Barring from any unforeseen circumstances, the Board remains cautiously optimistic on the Group's performance for the financial year 2012/2013.

The Group will continue to enhance its cost efficiency and strengthen its media business through improvement in contents and diversification of distribution platforms. In addition to strengthening its existing operations, the Group will also identify suitable acquisition projects that will complement and create synergy with its existing businesses, so as to achieve sustainable growth.

PLEDGE OF ASSETS

Details of the pledge of the Group's assets are set out in note 37 to the financial statements.

Management Discussion and Analysis

FINANCIAL GUARANTEES

As at 31 March 2012, the Company issued financial guarantees in favour of certain of its subsidiaries totalling US$20,057,000 (31 March 2011: US$27,799,000) in connection with general banking facilities granted to those subsidiaries. As at 31 March 2012, total facilities utilised amounted to US$1,906,000 (31 March 2011: US$2,318,000). The directors of the Company do not consider it probable that a claim will be made against the Company under the financial guarantees. The maximum liability of the Company as at 31 March 2012 under the financial guarantees was the facility drawn down by its subsidiaries. No provision was therefore made in this respect as at 31 March 2012.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

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

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

During the year ended 31 March 2012, the Group is particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group's operations is located in Malaysia, and a decrease in the exchange fluctuation reserve of US$4,003,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

LIQUIDITY, FINANCIAL RESOURCES

As at 31 March 2012, the Group's net current assets amounted to US$189,604,000 (31 March 2011: US$160,561,000) and the shareholders' funds were US$413,564,000 (31 March 2011: US$394,408,000). Total bank borrowings and finance lease obligations were US$5,285,000 (31 March 2011: US$15,589,000).

As at 31 March 2012, total cash and cash equivalents was US$134,657,000 (31 March 2011: US$110,519,000) and net cash position was US$129,372,000 (31 March 2011: US$94,930,000) after deducting the total bank borrowings and finance lease obligations.

CAPITAL STRUCTURE

During the year, the Company repurchased a total of 3,000 shares at an aggregate purchase consideration of HK$8,850 (equivalent to US$1,135); and 900,000 shares, 1,400,000 shares and 358,000 shares were issued at HK$1.80 per share, 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 32 to the financial statements.

EMPLOYEES AND EMOLUMENT POLICY

At 31 March 2012, the Group has approximately 4,728 employees (2011: approximately 4,639 employees), the majority of whom are employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director, or any of his associates,is involved in dealing with his own remuneration. The Group has share option schemes as an incentive to directors and eligible employees.

Corporate Social Responsibility

Newspapers serve not only as a source of information but also as a bridge among communities. As such, contributing and serving the communities are inherent features in a newspaper's corporate culture.

The Group is dedicated to fulfiling its corporate social responsibility by supporting the needs of the communities that it serves. The Group's social activities can be divided into the following areas:

COMMUNITY

Charity

In Hong Kong, the Group redirects readers' donations to designated families, letting them know the public cares about them and helping them cope with their immediate financial needs. The beneficiaries not only include local unfortunate families, but also people in need in Mainland China.

The Group also collects and distributes readers' donated items such as books and magazines periodically to schools, charitable organisations and hospitals in Hong Kong. In addition, packaged food in well preserved conditions are collected from staff members for donation to the food bank.

Being a single parent is not easy in today's economic environment, hence in Malaysia, the Group reaches out to single mothers in need through programmes organised by Yayasan Sin Chew and Yayasan Nanyang Press.

The younger generation of today faces numerous pressure in their daily lives and those who do not know how to cope with such pressure may resort to suicide or other self-destructive acts. In order to show support to our younger generation, *Sin Chew Daily* has launched the Stress Management Campaign, sponsored by Schwan-Stabilo, which is a nationwide roadshow visiting schools to teach and help youngsters how to deal with daily life pressures, to encounter the social reality and to build up their self-confidence.

Education

In Malaysia, the Group is actively involved in fund-raising activities for charitable causes such as building new schools, upgrading of existing school facilities or providing scholarships for the needy. Sin Chew Daily Education Fund is supported by many private institutions of higher education which meet annually to assess the needs and academic qualifications of the needy applicants. In addition to that, *Sin Chew Daily* co-organised with the Tiger for the Tiger Sin Chew Chinese Education Charity Concert to raise funds for schools to upgrade their facilities. Meanwhile, Nanyang Group has been in a long-term partnership with Carlsberg Malaysia in organising the Top Ten Charity Concert which just celebrated its 25th anniversary of raising funds for education.

This year marks the 15th anniversary of "Ming Pao Student Reporters Scheme" in Hong Kong. Over the years, more than 6,000 senior secondary students have joined the scheme and today some of them are renowned news anchors and journalists. Every year we select more than 400 outstanding students whom are nominated by their school principals to join this comprehensive programme. With an aim to widen their horizon and stimulate their creative thinking and analytical skills, a series of lectures and training on basic journalistic skills as well as reporting opportunities with senior government officials and public figures are offered. Outstanding candidates will be selected to be trainees in our newsroom.

Corporate Social Responsibility

On national education, *Ming Pao Daily News* continues to co-organise "The Hong Kong Cup Diplomatic Knowledge Contest" which extended to the primary school sector last year. The contest enhances students' understanding of China's national diplomatic policy and cultivates their sense of belonging to the country. It is well-received by schools and public, with a record breaking participation of over 8,000 entries from public sector and close to 1,000 entries from school sector.

The Group also supports "The Guangdong Province Remote Area Education Relief Fund" jointly with the Department of Education of Guangdong Province and the programme has entered its 19th year. For the past 3 years, HK$2.2 million was donated to 22 schools in Guangdong Province. In recent years, the fund has extended its scope from fundamental services like renovation, re-building dangerous school buildings and improving classroom facilities to enhancing e-learning facilities and resources for nominated schools to strengthen the capability and competitiveness of students to meet the current needs on digital development.

The Group continues to strengthen its relationship with the education sector by arranging guided tours for teachers and students to *Ming Pao Daily News* and *Sin Chew Daily*. These tours deepen the visitors' understanding of newspaper publishing as well as the journalism philosophy of the Group.

MARKETPLACE

To maintain its position as market leader in Malaysia, the Group's various publications organise numerous activities to maintain a close rapport with both its advertisers and readers.

Nanyang Siang Pau, a newspaper which focuses on financial news, has organised several events such as talks on financial literacy, real estate expo and education fair to allow its advertisers an opportunity to interact directly with its customers and potential clients. Life Magazines have also organised exhibitions such as Bridal Fair and Health Fair which showcase the products of its advertisers.

In order to ensure that their readers are always kept up to date with their activities, both *Sin Chew Daily* and *Guang Ming Daily* launched their respective Facebook page in 2011. This allows both newspapers to have an interactive relationship with their readers thus defying the perception that print media is a static media. *China Press*, on the other hand, has a team that goes around Peninsular Malaysia in a pick up truck known as "Five Hearts Car Team" to spread cheer to its readers.

For the marketplace in Hong Kong, this year marked the fifth year that *Ming Pao Daily News* and the Chinese University of Hong Kong have co-organised the "Hong Kong Corporate Branding Award 2011" to appreciate the devotion and innovation of local brands. As well as this, "潮選e生活2011" organised by *Ming Pao Daily News*, has provided the leading players in their respective industries with a platform to recognise their outstanding and creative achievements.

Yazhou Zhoukan also hosted the "Asia Excellence Brand Award 2011" to give recognition to outstanding brandnames in the Asian region, and to encourage Asian enterprises in pursuit of excellence in business practice.

WORKPLACE

As the Group subscribes to the belief that people is one of its cornerstones to success, the Group is constantly looking at ways it can look after the welfare of its people. For example, *Sin Chew Daily* has an intranet known as Sin Chew Bulletin which allows the management to update employees on the latest ongoings in the company. In addition, the Group holds annual dinners for its employees which allow them to interact and showcase their talent. As health is an important aspect that affects employees' performance, the Group also organises health check ups at discounted rates for its employees.

Corporate Social Responsibility

ENVIRONMENT

The Group is continuously looking for ways to help reducing pollution and protecting the environment. Hence it always reviews its work processes and operations to increase efficiency and finds ways to go green. The operations in Malaysia have recently upgraded some of its printing plants to reduce wastage. Furthermore, the Group has reviewed the lighting and air conditioning needs in its offices to arrive at the optimum usage to meet with the current demand. This also helps reducing electricity usage.

To encourage people to reduce, reuse and recycle, the Group has co-organised campaigns with other organisations to set up collection centres to gather used items for recycling purposes.

In Hong Kong, this is the fifth year that the Group has participated in the "Carbon Audit · Green Partner" programme which aims at reducing greenhouse gas emissions and promoting energy conservation.

Major Awards of the Year — Hong Kong

HONG KONG NEWS AWARDS 2011

— The Newspaper Society of Hong Kong


失實樓價田土廳合法註冊

Best Business News Reporting


解構新政府總部

Best News Page Design

Photographic Section (Features)

Ming Pao Daily News
won 14 awards

Winner	Best Business News Reporting Best News Writing (Chinese) Best Young Reporter Best News Page Design
1st Runner-up	Best Scoop Best Business News Writing (Chinese) Best Headline (Chinese) Photographic Section (Sport)
2nd Runner-up	Best Science News Reporting
Merit	Best News Reporting Best News Writing (Chinese) Photographic Section (News) Photographic Section (Features) (2 awards)

THE SOPA 2012 AWARDS FOR EDITORIAL EXCELLENCE

— The Society of Publishers in Asia

The Scoop Award
Award for Excellence: *Ming Pao Daily News*

Excellence in News Photography
Award for Excellence: *Ming Pao Daily News*

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

Excellence in Reporting Breaking News
Award for Excellence: *Yazhou Zhoukan*

HK ICT AWARDS 2012

Best Ubiquitous Networking (Mobile Publishing) Award
— Hong Kong Wireless Technology Industry Association

Silver Award: MediaNet Holdings Limited
(Mobile Real-time Interactive Publishing Platform)

Bronze Award: Ming Pao Magazines Limited
(Partyline iPhone App)

HEALTHY MOBILE PHONE/ TABLET APPS NOMINATION ACTIVITY 2011

— Television and Entertainment Licensing Authority

Top Ten Healthy Apps: *Ming Pao Daily News*

THE 3RD ANNUAL KAM YIU-YU PRESS FREEDOM AWARDS 2011

— Kam Yiu-yu Foundation

Print Media
Winner: *Ming Pao Daily News*

THE 16TH ANNUAL HUMAN RIGHTS PRESS AWARDS 2011

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

Prize — Newspaper (Feature)
Merit — Newspaper (General News)
Merit (2 awards) — Photojournalism (Spot News)

Major Awards of the Year — Hong Kong

"FOCUS AT THE FRONTLINE 2011" PHOTO CONTEST

— Hong Kong Press Photographers Association

Winner — "Spot News"

1st Runner-up — "Feature"

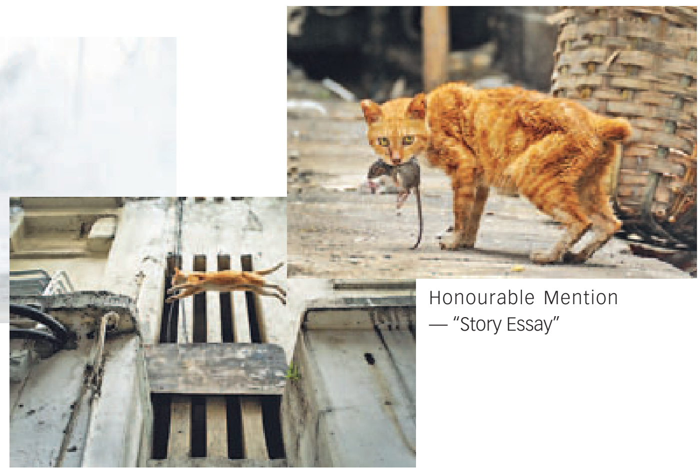
2nd Runner-up — "Sports"

2nd Runner-up — "People"

Ming Pao Daily News **received 7 awards**

2nd Runner-up — "Nature & Environment"

Honourable Mention
— "General News"



Honourable Mention
— "Story Essay"

THE 5TH CHINESE UNIVERSITY JOURNALISM AWARD

— The Chinese University of Hong Kong

Print Media (News)
Grand Award: *Ming Pao Daily News*

THE 5TH "MOST ACTIVE MEMBERS" AND "CARING AMBASSADORS" AWARDS 2012

— People of Fortitude • International Mutual-aid Association for the Disabled

"Media with the Greatest Sense of Mission Award"
Winner: *Ming Pao Daily News*

CITI JOURNALISTIC EXCELLENCE AWARD 2012

— Citi Group

1st Runner-up: *Ming Pao Daily News*

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

DATUK WONG KEE TAT JOURNALISM AWARDS 2010
— Editors' Association of Chinese Medium of Malaysia

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

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

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

Tan Sri TEONG Teck Leng Commentary Award
Excellence Prize: *Sin Chew Daily*
Outstanding Prize: *Sin Chew Daily*

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

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

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

GOLDEN ACHIEVEMENT AWARDS 2011
— Penang Han Chiang College

News Commentary Award
1st Prize: *Sin Chew Daily*
2nd Prize: *Guang Ming Daily*

Feature News Reporting Award
2nd Prize: *Asia Eye*
3rd Prize: *Sin Chew Daily*

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

Mr KOO Cheng (left), CEO of *Sin Chew Daily* received "Dato' Sri Joseph CHONG Chek Ah Distinguished Media Service Award".

KENYALANG SHELL PRESS AWARDS 2011
— Sarawak State Government, Sarawak Shell Berhad and Federation of Sarawak Journalists Association

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

Environmental Journalism Award
1st Prize: *Sin Chew Daily*
2nd Prize: *Sin Chew Daily*

News Reporting Award
2nd Prize: *Sin Chew Daily*
3rd Prize: *Sin Chew Daily*

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

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

MEDIA AWARDS OF THE MINISTRY OF HEALTH MALAYSIA 2011
— Ministry of Health, Malaysia

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

The 2ND HUA ZONG PHOTOGRAPHY CONTEST 2012
— Federation of Chinese Associations Malaysia (Hua Zong)

2 Excellence Prizes: *Sin Chew Daily*
3 Outstanding Prizes: *Sin Chew Daily*
4 Merit Prizes: *Sin Chew Daily*
4 Qualified Prizes: *Sin Chew Daily*

MEDIA NIGHT OF POLIS DIRAJA MALAYSIA

Reporters of *Sin Chew Daily* and *Guang Ming Daily* were awarded Commendatory Certificate on the Malaysian Police Day 2012 to recognise their positive assistance to the Police in prevention or detection of crime.

THE 6TH PENANG TEONG GUAN ASSOCIATION JOURNALISM AWARDS
— Penang Teong Guan Association

Dato' LIM Yam Koi Photography Award
Consolation Prize: *Guang Ming Daily*

THE 10TH TAN SRI LIM GAIT TONG PRESS AWARDS 2011
— Penang Press Club

Dato' Dr KANG Chin Seng Commentary Reporting Award
Outstanding Award: *Sin Chew Daily*

Tan Sri TAN Khoon Hai Photography Award
Outstanding Award: *Sin Chew Daily*

Dato' KHOR Chong Boon Breaking News Award
Outstanding Award: *Sin Chew Daily*

Dato' Seri H'NG Bok San Feature Award
Outstanding Award: *Sin Chew Daily*

Dato' LAM Wu Chong Journalist Spirit Award
Winner: *Sin Chew Daily*

Major Awards of the Year — Malaysia
(Nanyang Group)

DATUK WONG KEE TAT JOURNALISM AWARDS 2010
— Editors' Association of Chinese Medium of Malaysia

Tan Sri YAP Yong Seong Feature Writing Award
Excellence Prize: *China Press*
Outstanding Prize: *Nanyang Siang Pau, Special Weekly, Feminine*

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

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

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

Tan Sri TEONG Teck Leng Commentary Award
Outstanding Prize: *China Press*

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

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

Mr TAN Yew Sing Education News Reporting Award
Outstanding Prize: *China Press*

Dato' LEE-San, JP Travel News Reporting Award
Outstanding Prize: *Nanyang Siang Pau, Feminine*

GOLDEN ACHIEVEMENT AWARDS 2011
– Penang Han Chiang College

Feature News Reporting Award
1st Prize: *Nanyang Siang Pau*

News Photography Award
3rd Prize: *Nanyang Siang Pau*

MPA Magazine Awards 2011 (Best Cover Design)
– Magazines Publishers Association, Malaysia

Woman Category (Chinese)
Gold Award: *Feminine*
Bronze Award: *Feminine*

Home/Lifestyle Category (Chinese)
Gold Award: *Sweet Home*

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

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

Special Interest/Niche Category (Chinese)
Bronze Award: *Let's Travel*

Major Awards of the Year — Malaysia
(Nanyang Group)

JOHOR MEDIA AWARDS 2011
– Johor State Information Department

Best Economic News Award (Chinese print media)
First Prize: *China Press*

Best Feature Writing Award (Chinese print media)
First Prize: *Nanyang Siang Pau*

MEDIA AWARDS OF THE MINISTRY OF HEALTH MALAYSIA 2011
– Ministry of Health, Malaysia

Best Health News Reporting Award (Chinese newspaper)
First Prize: *China Press*
Consolation Prize: *China Press*

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

JOHOR MEDIA AWARDS 2010
– Johor State Information Department

Best Development News Award (Chinese print media)
First Prize: *China Press*
Third Prize: *China Press*

Best Economic News Award (Chinese print media)
First Prize: *China Press*

THE 5TH JOHOR STATE NEWS AWARDS 2010
— South Johor Chinese Press Club

Johor Bharu Chinese Chamber of Commerce and Industry Commercial Business News Award
First Prize: *Nanyang Siang Pau*
Excellence Prize: *Nanyang Siang Pau, China Press*

Johor Bharu Tiong Hua Association General News Award
First Prize: *Nanyang Siang Pau*
Excellence Prize: *China Press*

The Federation of Chinese Association Johor Feature Writing Award
Excellence Prize: *Nanyang Siang Pau*

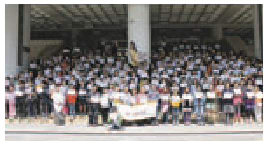
Significant Events — Hong Kong

Ming Pao Daily News

"The 15th Ming Pao Student Reporters Scheme"

Student reporters visited the headquarter of *Yangcheng Evening News* at Guangzhou. The visit deepened their understanding on news reporting techniques.

Student reporters took work experience in the newsroom of *Ming Pao Daily News*.



About 400 primary and secondary school students participated in the "Junior Student Reporter Camp".

Student reporters visited the filming studio of "Police Magazine". They experienced the pressure and excitement of producing TV programmes.

"Reading to Raise Integrated Abilities Seminar"

The seminar was held in Macau. It received overwhelming support from teachers and education professionals.

"JUMP @ 7.16 Education & Career Day"

The event provided updated education and employment information to students and job seekers.

"Mainland China Property and Stock Market Seminar"

Renowned financial analyst Dr Kenny TANG spoke at a seminar about the property and stock market of Mainland China.

"2012 Hong Kong Property Market Seminar"

Guest speakers shared their professional knowledge and insight on local property market with the participants.

"Leisure of Life Photo Exhibition — Photography by Mr Benny LI"

Ming Pao Daily News lent its support to the Exhibition and Photo Album Charity Sales. The fund raised was donated to Charles K. Kao Foundation of Alzheimer's disease.

Significant Events — Hong Kong

Charming Holidays

25th Anniversary Party

1. (Left to right) Mr Eric LI, Executive Director, Charming Holidays; Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman; Mr TIONG Kiew Chiong, Group Chief Executive Officer and Mr David CHAU, Executive Director and General Manager, Charming Holidays gathered together in the Anniversary Party.
2. Lion dance performance heated up the atmosphere of the Anniversary Party. The guests were in high spirit.
3. More than 300 business associates, clients and guests mixed and mingled at the Party.
4. Management of Charming Holidays toasted to celebrate its 25th Anniversary.

Yazhou Zhoukan

24th Anniversary Party & "Global Chinese Business 1000 Awards" Presentation

The event was kicked off with a speech by Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman.

Management of *Yazhou Zhoukan* took a group photo with the award winners.

Ming Pao Monthly

45th Anniversary Party

1. Management of *Ming Pao Monthly* and officiating guests toasted to thank its readers for their support.
2. Mr TIONG Kiew Chiong (left), Group Chief Executive Officer, presented a souvenir to the consultant of *Ming Pao Monthly*.

Significant Events — Malaysia
(Sin Chew Group)

Yayasan Sin Chew

Yayasan Sin Chew organised two charity shows, "Night of Harmony- Hymn Performance" and "Night of Harmony – Buddhist Art Performance" with the objective to raise funds to set up The Harmony Home for senior citizens.

Guang Ming Daily

Guang Ming Daily launched its official Facebook and Twitter sites in conjunction with its 25th anniversary celebration with an objective to stay closer with the readers.

The 5-month nationwide "Guang Ming Wellness Tours" provided medical service and health information to readers and the public. It helped enhancing their sense of health.

Since its inception in 1994, *Sin Chew Daily* NIE Programme has developed into its eighteenth year. Deputy Minister of Education Malaysia, YB Datuk Ir WEE Ka Siong (front row, 7th from left) officiated the launch ceremony.

Sin Chew Daily

Mr KOO Cheng (4th from left), CEO of *Sin Chew Daily,* accompanied YB Datuk Ir WEE Ka Siong (2nd from right), Deputy Minister of Education, Malaysia officiated the launch ceremony of the "Live for Life" stress management campaign. *Sin Chew Daily* hosted 13-stop nationwide motivating seminars to educate young generation how to encounter social challenges and cultivate self-confidence.

Deputy Higher Education Minister, Malaysia YB HOU Kok Chung (front row, 5th from right), management of *Sin Chew Daily* and representatives of 27 higher education institutions attended the "2011/2012 The 9th Sin Chew Education Fund" launch ceremony.

Tan Sri Datuk Sir TIONG Hiew King (centre), Group Executive Chairman and Mr CHAI Xi (2nd from right), Chinese Ambassador to Malaysia jointly officiated the launch of *Sin Chew Daily* official Facebook and Weibo sites as well as iPad apps.

Tan Sri Datuk Sir TIONG Hiew King (2nd row, 5th from left), Group Executive Chairman witnessed the signing ceremony of MOU of a new Chinese website between Mr NG Chek Yong (front row left), Managing Director of Sin Chew Media Corporation Berhad and Mr HU Guang Yao (front row right), representative of Xin Hua News Agency.

Significant Events — Malaysia
(Nanyang Group)

Nanyang Siang Pau

"The 2011 Real Estate Expo", jointly organised by *Nanyang Siang Pau* and *China Press*, attracted thousands of visitors to this 2-day event.

Renowned share investment analyst Mr FONG Siling shared his experience in investment with hundreds of participants at the auditorium of *Nanyang Siang Pau* headquarter.

Yayasan Nanyang Press

Yayasan Nanyang Press organised the charity bazaar and musical concert which was supported by media partners and artists. The fund raised was to benefit the flood victims in Bangkok Thailand.

Life Magazines

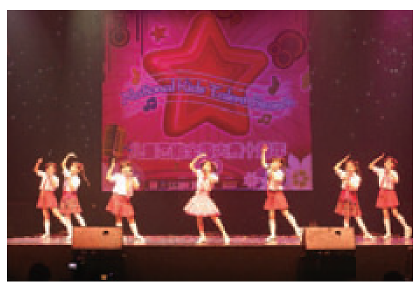
Long Life celebrated its 18th Anniversary with 5-stop nationwide roadshows, with an aim to create excitement for readers as well as promote healthy living.

Oriental Cuisine organised the "Heinz Cooking Class" in conjunction with Chinese New Year celebration. It received an overwhelming participation from readers.

China Press

China Press formed the "Five Hearts Car Team" to spread the elements of kindness, joyfulness, happiness and love to all walks of life among the country.

China Press co-organised the "National Dynamic Dance Competition" and received great echo across different age groups.



China Press organised the "Top Junior Talent Search Program" in search for artistic talents from major cities of East Malaysia and West Malaysia.

Statement on Corporate Governance

INTRODUCTION

The Board acknowledges the importance and benefits of good corporate governance and strives to conduct its business in accordance with the principles 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") for effective corporate governance emphasising transparency, fairness, integrity and accountability.

Set out in this statement is a description of how the Group has applied the principles and best practices of the Malaysian Code and the Hong Kong Code throughout the financial year ended 31 March 2012.

CONDUCT ON SHARE DEALINGS

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

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

THE BOARD OF DIRECTORS

(a) The Board

The composition of the Board is in line with the Listing Requirements of Bursa Malaysia Securities Berhad (the "Bursa Securities Listing Requirements") and the HK Listing Rules. The principal functions of the Board are to:

— Review and adopt strategies for the Group;
— Oversee the business of the Group to ensure that it is properly managed;
— Review the adequacy and integrity of the Group's internal control systems;
— Identify principal risks and ensure implementation of appropriate systems to manage such risks; and
— Ensure that there is proper succession planning.

The current structure of the Board ensures that no single individual or group dominates the decision making process.

(b) Board balance

The Board currently comprises nine directors including five executive directors, one non-executive director and three independent non-executive directors ("INEDs"). The current composition of the Board complies with both the Bursa Securities Listing Requirements and the HK Listing Rules.

The executive directors have direct responsibility for the business operations while the non-executive directors are responsible for bringing independent judgement and scrutiny to decisions taken by the Board as well as providing objective challenge to the management.

The directors contribute greatly to the Group through their business acumen and their wide range of functional knowledge. They are drawn from different backgrounds such as accountancy and business. The profile of each director and his/her relationship with other directors and substantial shareholders of the Company (if any) is set out on pages 4 to 9.

Regular board meetings are held at least four times a year with a formal schedule of matters specifically reserved for its decision. These meetings are scheduled in advance at the beginning of the new calendar year for the early planning of the directors. Notice of at least 14 days has been given for the board meeting in which all directors have been given opportunities to attend. There were four board meetings held during the financial year ended 31 March 2012. The attendance record of each director during the year is as follows:

Name	Number of meetings attended	Percentage of attendance
Executive directors		
Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*	4/4	100%
Mr TIONG Kiu King *(note 1)*	3/3	100%
Dato' Sri Dr TIONG Ik King	4/4	100%
Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*	4/4	100%
Mr NG Chek Yong *(note 2)*	N/A	N/A
Ms SIEW Nyoke Chow	3/4	75%
Non-executive directors		
Mr LEONG Chew Meng	4/4	100%
Ms SIM Sai Hoon *(note 3)*	4/4	100%
Independent non-executive directors		
Mr David YU Hon To	4/4	100%
Tan Sri Dato' LAU Yin Pin	4/4	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	4/4	100%

Notes:

(1) Mr TIONG Kiu King passed away on 14 January 2012.

(2) Mr NG Chek Yong was appointed as an executive director on 1 March 2012 and no board meeting was held during the month of March 2012.

(3) Ms SIM Sai Hoon was re-designated from an executive director to a non-executive director on 1 October 2011, and resigned on 1 April 2012.

(c) Sub-committees

To assist the Board in discharging its overseeing functions, various sub-committees have been formed, namely, the Group Executive Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee. To promote smooth running of the sub-committees, each sub-committee shall adhere to the terms of reference approved by the Board. The Board reviews the sub-committees' authorities and terms of reference from time to time. The chairmen of the sub-committees report the outcome of the committee meetings to the Board.

The authorities, functions, composition and duties of each sub-committee and the attendance records of the sub-committee meetings for the year ended 31 March 2012 (save and except for the Audit Committee of which attendance is set out in page 51) are set out below:

	Number of meetings attended and percentage of attendance					
Member	**Group Executive Committee**		**Remuneration Committee**		**Nomination Committee**	
Group Executive Committee						
Dato' LIEW Chen Chuan *(Chairman) (note 1)*	3/4	75%				
Mr NG Chek Yong *(Chairman) (note 2)*	N/A	N/A				
Mr TIONG Kiew Chiong	4/4	100%				
Ms SIEW Nyoke Chow	4/4	100%				
Ms SIM Sai Hoon *(note 3)*	2/2	100%				
Mr ONG See Boon	2/4	50%				
Remuneration Committee						
Tan Sri Dato' LAU Yin Pin *(Chairman)*			2/2	100%		
Mr David YU Hon To			2/2	100%		
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH			2/2	100%		
Mr TIONG Kiew Chiong			2/2	100%		
Ms SIM Sai Hoon *(note 3)*			2/2	100%		
Mr NG Chek Yong *(note 2)*			N/A	N/A		
Nomination Committee						
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH *(Chairman)*					1/1	100%
Mr David YU Hon To					1/1	100%
Tan Sri Dato' LAU Yin Pin					1/1	100%
Mr LEONG Chew Meng					1/1	100%

Notes:

(1) Dato' LIEW Chen Chuan resigned as the Chairman of the Group Executive Committee on 1 March 2012.

(2) Mr NG Chek Yong was appointed as the Chairman of the Group Executive Committee on 1 March 2012. He was also appointed as a member of the Remuneration Committee on 1 April 2012.

(3) Ms SIM Sai Hoon was re-designated from an executive director to a non-executive director and ceased to be a member of the Group Executive Committee on 1 October 2011. She remained as a member the Remuneration Committee until 1 April 2012 when she resigned as a non-executive director.

Group Executive Committee

The Group Executive Committee was established on 25 March 2008 with specific terms of reference that specify its authorities and duties. The Group Executive Committee currently has four members, namely, Mr NG Chek Yong (Chairman), Mr TIONG Kiew Chiong, Ms SIEW Nyoke Chow and Mr ONG See Boon. The Group Executive Committee's responsibilities include:

- Monitoring and reviewing the operations in Hong Kong, Mainland China, North America, Malaysia and other Southeast Asian countries; and

- Performing duties delegated by the Board and exercising the authorities and rights authorised by the same.

Remuneration Committee

The Remuneration Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. The Remuneration Committee currently has five members, namely, Tan Sri Dato' LAU Yin Pin (Chairman), Mr David YU Hon To, Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH, Mr TIONG Kiew Chiong and Mr NG Chek Yong. Except for Mr TIONG Kiew Chiong and Mr NG Chek Yong who are executive directors, the rest of the members are all INEDs. The duties and responsibilities of the Remuneration Committee include, among other things:

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

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

The remuneration of all the directors and their respective interest in share options are set out in note 15 to the financial statements and under the paragraph "Share option schemes" in the Report of the Directors.

Nomination Committee

The Nomination Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. The Nomination Committee currently has four members, namely, Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH (Chairman), Mr David YU Hon To, Tan Sri Dato' LAU Yin Pin and Mr LEONG Chew Meng. Except for Mr LEONG Chew Meng who is a non-executive director, the rest of the members are all INEDs. The Nomination Committee's responsibilities include, among other things:

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

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

- Identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorship.

Audit Committee

The Audit Committee was established on 30 March 1999 with specific terms of reference that specify its authorities and duties. The Audit Committee currently has four members, namely Mr David YU Hon To (Chairman), Tan Sri Dato' LAU Yin Pin, Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH and 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 51 to 56 of this Annual Report.

(d) Independence of INEDs

Pursuant to the requirements of the HK Listing Rules, 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.

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

There is a clear division of responsibilities between the Group Executive Chairman and the Group Chief Executive Officer. The Group Executive Chairman is responsible for, among others, providing leadership for and overseeing the functions of the Board. He should ensure that the Board works effectively and performs its responsibilities and that all key and appropriate issues are discussed by the Board in a timely manner. The Group Chief Executive Officer's role is to manage the Group's business and to ensure the delivery of the objectives and strategies set by the Board within the authority limits delegated by the Board.

(f) Supply of information

The Board has full access to all information pertaining to the Group's business affairs to enable the Board to discharge its responsibilities effectively. The board papers and related materials are in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it; and are circulated in advance to all directors to enable them to have sufficient time to review.

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

Senior management and external advisors are invited to attend Board meetings from time to time to provide insight and clarify issues on the subject matter concerned.

Subject to prior discussion concerning the costs, directors may, as they deem necessary and appropriate, seek independent professional advice and secure the attendance of outsiders with relevant experience and expertise, if they consider this necessary and reasonable for the performance of their duties.

(g) Appointments to the Board

The Nomination Committee scrutinizes the sourcing and nominates 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, in accordance with the HK Listing Rules, all directors (including the Chairman) 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.

(i) Directors remuneration

(i) Level and make-up of remuneration

The Remuneration Committee is responsible for reviewing the remuneration of the executive directors, non-executive directors and senior management. The executive directors who are full time employees of the Group receive no additional compensation for services as a director of the Board but they are remunerated in the form of salaries and bonuses. All non-executive directors and executive directors who are not full time employees of the Group are paid fixed annual directors' fees as members of the Board and the level of remuneration reflects the level of responsibilities undertaken by them. The Remuneration Committee makes the required recommendation to the Board for a final decision by the Board.

(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 and any increase in the annual fees of the directors are subject to the approval of 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 2012 is as follows:

	Fees US$'000	Salaries & other emoluments US$'000	Total US$'000
Executive directors	424	1,026	1,450
Non-executive directors	132	9	141

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

Range of remuneration	Executive directors	Non-executive directors
from US$0 to US$16,325 (equivalent to RM1 to RM50,000) *(note)*	—	1
from US$16,326 to US$32,651 (equivalent to RM50,001 to RM100,000)	3	3
from US$48,977 to US$65,302 (equivalent to RM150,001 to RM200,000)	—	1
from US$130,604 to US$146,929 (equivalent to RM400,001 to RM450,000) *(note)*	1	—
from US$310,184 to US$326,509 (equivalent to RM950,001 to RM1,000,000)	1	—
from US$408,137 to US$424,462 (equivalent to RM1,250,001 to RM1,300,000)	1	—
from US$473,439 to US$489,764 (equivalent to RM1,450,001 to RM1,500,000)	1	—

Note: These bands include the director's remuneration to Ms SIM Sai Hoon for her office as an executive director and a non-executive director of the Company during the year.

Statement on Corporate Governance

DIRECTORS' TRAINING

All directors have completed the Mandatory Accreditation Programme prescribed by Bursa Securities. The newly appointed directors receive comprehensive, formal and tailored induction on the first occasion of their appointment, so as to ensure that they have appropriate understanding of the business and operations of the Company and that they are fully aware of their responsibilities and obligations under relevant regulatory requirements. The directors are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development to directors will be arranged whenever necessary.

SHAREHOLDERS

(a) Communications between the Company and investors

The Board acknowledges that the Group should engage in regular, effective and fair communication with its shareholders. It recognises the need to provide timely updates on all material information relating to the Group. The Group also ensures timely release of all financial results and briefings with analysts are held twice a year to explain the Group's directions and performance. The Company communicates with its shareholders through various 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. 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.

At the 2011 annual general meeting, procedure for voting by poll has been read out by the Chairman, separate resolution was proposed by the Chairman in respect of each separate issue, including re-election of directors, and voted by way of poll. The Company announced the results of the poll in the manner prescribed under the HK Listing Rules and the Chairman of the Board has attended the 2011 annual general meeting to ensure effective communication with shareholders of the Company.

(b) Annual general meeting

The annual general meeting ("AGM") is the principal opportunity for the Board to meet shareholders of the Company and update the shareholders on the progress and performance of the Group. It is also an opportunity for shareholders of the Company to seek clarification on all material business matters affecting the Group. The AGM is held via video conferencing connecting shareholders in Malaysia and Hong Kong. Separate resolutions are proposed at general meetings for substantially separate issues and the shareholders participate in the deliberation of resolutions being proposed. The Chairman declares the outcome of each resolution after proposal and secondment are done by shareholders of the Company. A press conference is also held immediately after the AGM where the Group Chief Executive Officer and executive directors will meet the media to answer queries related to the Group and its performance.

The Board, senior management and its external auditor are available to respond to shareholders' questions during the AGM.

(c) Website

To ensure that its shareholders and the general public are always kept updated on its performance and operations, the Group has established a website at www.mediachinesegroup.com. Shareholders can access corporate information, annual reports, circulars, announcements, press releases and investor relations briefings on the same.

(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 market of Bursa Securities took effect. As a result, shareholders of the Company are entitled to trade the shares on both the HK Stock Exchange and Bursa Securities. Certain additional obligations which they are subject to as shareholders of an entity listed in Malaysia, among others, are set out as follows:

(i) Trading of the Company's shares

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

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

If a shareholder (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 them into the Hong Kong securities system for trading in Hong Kong, the share transfer form will be subject to Malaysian stamp duty. The stamp duty payable on such share transfer form is a nominal sum of RM10 pursuant to Item 32(i) First Schedule to the Malaysian Stamp Act 1949 on the basis that no beneficial interest passes in such transfer as the transfer is made by a bare trustee (i.e. Bursa Depository) to a beneficiary (i.e. the investor).

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

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 reporting processes 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.

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

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

(c) Internal controls

The Board is aware that the ultimate responsibility for ensuring a sound internal control system and reviewing the effectiveness of those systems lies with the Board. 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 Board is also responsible for ensuring that there is a system of internal control and compliance controls and risk management policies. In line with this, the management of each business unit is responsible for internal control and for ensuring necessary compliance. The Board is assisted by the Audit Committee to discharge its internal control review responsibilities. These systems will continue to be reviewed, added on or updated to provide for changes in the operating environment. In addition, the directors have considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs and budget. The Statement on Internal Control set out on page 50 of this Annual Report provides an overview on the state of internal controls within the Group.

(d) Relationship with auditor

The Audit Committee discusses with the external and internal auditors the nature and scope of the audit and reporting obligations before audit commences. The Audit Committee ensures that management will provide timely responses on any material queries raised by the external auditors after the audit in respect of accounting records, financial accounts or systems of control.

The Audit Committee meets the external auditor on a half yearly basis to discuss audit findings and makes recommendations for the Board's approval.

The Company's external auditor is PricewaterhouseCoopers. The total fees for audit services and non-audit services provided by other external auditors to the subsidiaries of the Group were approximately US$4,000 and US$54,000 respectively.

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

	US$'000
— Audit services (including interim review)	**693**
— Non-audit services	
Tax services	**227**
Other services	**45**
	965

PricewaterhouseCoopers will retire and offer itself for re-appointment at the annual general meeting of the Company to be held in August 2012.

A statement by PricewaterhouseCoopers about the reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report of this Annual Report on pages 73 to 74.

Statement on Corporate Governance

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 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 met the code provisions as set out in the Hong Kong Code.

ADDITIONAL COMPLIANCE INFORMATION

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

(a) Share repurchase

The details of shares repurchased by the Company during the financial year ended 31 March 2012 are set out on page 58.

(b) Exercise of options, warrants or convertible securities

During the financial year ended 31 March 2012, 2,658,000 share options were exercised and the Company did not issue any warrants or convertible securities.

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

The Company has not sponsored any ADR or GDR Programme during the financial year ended 31 March 2012.

(d) Imposition of sanctions/penalties

There were no sanctions or penalties imposed by the relevant regulatory bodies on the Company or its subsidiaries, directors or management during the financial year ended 31 March 2012.

(e) Variation in results

The audited results of the Company and of the Group for the financial year ended 31 March 2012 did not vary by 10% or more from the unaudited results announced to Bursa Securities on 30 May 2012.

(f) Profit guarantee

The Company did not issue any profit guarantee during the financial year ended 31 March 2012.

(g) Material contracts involving directors and major shareholders

There were no material contracts outside the ordinary course of business entered by the Company or its subsidiaries involving directors and major shareholders of the Company during the financial year ended 31 March 2012 and as at the date of this Annual Report.

(h) Revaluation policy

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

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

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 RM'000	Equivalent in US$'000	Nature of relationship
1.	Malaysian Newsprint Industries Sdn Bhd ("MNI")	Sin Chew Group Nanyang Group	(i) Purchase of newsprint from MNI: — Sin Chew Group — Nanyang Group	 92,801 37,557	 30,310 12,275	R.H. Development Corporation Sdn Bhd ("RHDC") and Rimbunan Hijau Estate Sdn Bhd ("RHE") are the substantial shareholders (pursuant to the Malaysian Companies Act, 1965 (the "Act")) of MNI.
			(ii) Disposal of newsprint scraps to MNI: — Sin Chew Group — Nanyang Group	 4,404 5,273	 1,438 1,721	Tan Sri Datuk Sir TIONG Hiew King ("TSTHK") is both a major shareholder and a director of the Company. He is a major shareholder of RHE and RHDC, and a director of Sin Chew. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is (pursuant to the Act) a substantial shareholder of RHDC.
2.	Tiong Toh Siong & Sons Sendirian Berhad ("TTS&S")	Mulu Press Sdn Bhd ("MPSB")	MPSB's tenancy of various properties from TTS&S as landlord	42	14	Tiong Toh Siong Holdings Sdn Bhd ("TTSH") is a holding company of TTS&S. TSTHK is both a major shareholder and a director of the Company and TTSH. He is also a director of TTS&S and Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company and TTSH.
3.	Rimbunan Hijau Holdings Sdn Bhd ("RHH")	MPSB	MPSB's tenancy of office at Lot 235–236, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from RHH as landlord	13	4	Teck Sing Lik Enterprise Sdn Bhd ("TSL") is a major shareholder of RHH and a shareholder of the Company. TSTHK is both a major shareholder and a director of the Company, TSL and RHH. He is a director of Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of RHH.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 RM'000	Equivalent in US$'000	Nature of relationship
4.	Everfresh Dairy Products Sdn Bhd ("Everfresh")	MPSB	MPSB's tenancy of office at Lot 1054, Block 31, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from Everfresh as landlord	6	2	Tiong Toh Siong Enterprises Sdn Bhd ("TTSE") and TSL are major shareholders of Everfresh and shareholders of the Company. TSTHK is both a major shareholder and a director of Everfresh, TTSE, TSL and the Company. TSTHK is a director of Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of TTSE.
5.	Evershine Agency Sdn Bhd ("EA")	MPSB	MPSB purchases motor vehicle insurance from EA	2	1	Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS") is a shareholder of the Company and a major shareholder of EA. Pertumbuhan Abadi Asia Sdn Bhd ("PAA"), TSL and TTSE are major shareholders of RHS and shareholders of the Company. TSTHK is a major shareholder of EA and a director of Sin Chew (the holding company of MPSB). He is both a major shareholder and a director of the Company, RHS, PAA, TSL and TTSE. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and, pursuant to the Act, a substantial shareholder of EA.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 RM'000	Equivalent in US$'000	Nature of relationship
6.	R.H. Tours & Travel Agency Sdn Bhd ("RHTT")	the Group	Purchasing of air tickets from RHTT	85	28	RHS is a shareholder of the Company and a major shareholder of RHTT. TSL, PAA and TTSE are major shareholders of RHS and shareholders of the Company. TSTHK is both a major shareholder and a director of the Company, RHTT, RHS, PAA, TSL and TTSE. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and a shareholder of RHTT.
7.	Optical Communication Engineering Sdn Bhd ("OCE")	Sin Chew	Sin Chew's tenancy of No. 15, Jalan Mewah Satu, Taman Mewah, 12100 Butterworth, Pulau Pinang, Malaysia from OCE as landlord	6	2	PAA and TSL are major shareholders of OCE and shareholders of the Company. TSTHK is both a major shareholder and a director of the Company, OCE, PAA and TSL. He is a director of Sin Chew. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a director and a shareholder of OCE.
8.	OCE	Guang-Ming Ribao Sdn Bhd ("Guang Ming")	Guang Ming's tenancy of No. 15, Jalan Mewah Satu, Taman Mewah, 12100 Butterworth, Pulau Pinang, Malaysia from OCE as landlord	6	2	PAA and TSL are major shareholders of OCE and shareholders of the Company. TSTHK is both a major shareholder and a director of the Company, OCE, PAA and TSL. He is a director of Sin Chew (the holding company of Guang Ming). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a director and a shareholder of OCE.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 HK$'000	Equivalent in US$'000	Nature of relationship
9.	Ming Pao Magazines Limited ("MPM")	Ming Pao Finance Limited ("MPF")	Granting the rights and licenses by MPF to MPM to use the trademarks and past contents of various publications	11,648	1,498	MPM is a wholly-owned subsidiary of OMG. MPF is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both MPM and MPF. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of MPM, MPF and OMG. He was also a director and a shareholder of the Company.
10.	One Media Holdings Limited ("OMH")	Ming Pao Newspapers Limited ("MPN")	Provision of circulation support services and library support services by MPN to OMH and its subsidiaries	1,377	177	OMH is a wholly-owned subsidiary of OMG. MPN is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both OMH and MPN. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMH, MPN and OMG. He was also a director and a shareholder of the Company.
11.	OMH	Ming Pao Holdings Limited ("MPH")	Provision of IS programming support services, administrative support services and human resources, corporate communications and legal services by MPH and leasing of computer and office equipment from MPH to OMH and its subsidiaries	5,159	663	OMH is a wholly-owned subsidiary of OMG. MPH is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both OMH and MPH. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMH, MPH and OMG. He was also a director and a shareholder of the Company.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 HK$'000	Equivalent in US$'000	Nature of relationship
12.	OMH	Holgain Limited ("Holgain")	Leasing of parking space, office space and storage space inside Ming Pao Industrial Centre situated at 18 Ka Yip Street, Chai Wan, Hong Kong from Holgain as landlord to OMH and its subsidiaries	1,680	216	OMH is a wholly-owned subsidiary of OMG. Holgain is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both OMH and Holgain. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMH, Holgain and OMG. He was also a director and a shareholder of the Company.
13.	OMG Group	Charming Holidays Limited ("Charming")	Provision of services such as air tickets and accommodation arrangement services by Charming to OMG Group	525	67	Charming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of Charming. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of Charming and OMG. He was also a director and a shareholder of the Company.
14.	OMG Group	the Group	Provision of barter advertising services by the Group to OMG Group	1,052	135	The Company is a major shareholder and a substantial shareholder of OMG Group. Mr TIONG Kiew Chiong is a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMG. He was also a director and a shareholder of the Company.
15.	OMG Group	the Group	Receipt of barter advertising services by the Group from OMG Group	1,052	135	The Company is a major shareholder and a substantial shareholder of OMG Group. Mr TIONG Kiew Chiong is a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMG. He was also a director and a shareholder of the Company.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2012 HK$'000	Equivalent in US$'000	Nature of relationship
16.	Beijing OMG Advertising Company Limited ("Beijing OMG")	Guangzhou Kin Ming Printing Limited ("GZ Kin Ming")	Provision of printing services by GZ Kin Ming to Beijing OMG	2,900	373	Beijing OMG is a wholly-owned subsidiary of OMG. GZ Kin Ming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both Beijing OMG and GZ Kin Ming. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of Beijing OMG, GZ Kin Ming and OMG. He was also a director and a shareholder of the Company.
17.	OMH	Kin Ming Printing Company Limited ("Kin Ming")	Provision of pre-press services by Kin Ming to OMH and its subsidiaries	44	6	OMH is a wholly-owned subsidiary of OMG. Kin Ming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of both OMH and Kin Ming. He is also a director and a shareholder of the Company and OMG. The late Mr TIONG Kiu King was a director of OMH, Kin Ming and OMG. He was also a director and a shareholder of the Company.
				RMB'000	Equivalent in US$'000	
18.	RIMBUNAN HIJAU China Investment Inc. ("RHCI")	Beijing Media Advertising Company Limited ("BJMA")	Leasing of office space of Unit C, 9/F., South Tower, China Overseas Plaza, Beijing, China from BJMA to RHCI	639	100	BJMA is a wholly-owned subsidiary of OMG. The Company is a major shareholder and a substantial shareholder of OMG. Mr TIONG Kiew Chiong is a director of OMG, BJMA and the Company. He is a shareholder of the Company and OMG. TSTHK is both a major shareholder and a director of the Company and RHCI.

Statement on Internal Control

INTRODUCTION

The Board remains committed to maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets. This Statement on Internal Control is made in accordance with the Malaysian Code on Corporate Governance and the Code on Corporate Governance Practices contained in Appendix 14 of the HK Listing Rules.

BOARD RESPONSIBILITY

The Board is responsible for the adequacy and effectiveness of the Group's system of internal controls. This system of internal controls covers, inter alia, governance, risk management, financial, organisational, operational and compliance controls. It should however be noted that such system is only designed to manage rather than totally eliminate the risk of failure to achieve business objectives. Therefore, the system provides reasonable, but not absolute assurance against material misstatement, losses, fraud or breaches of laws and regulations.

Management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying, evaluating, monitoring and managing significant risks pertinent to the achievement of its overall corporate objectives.

The Board is of the view that the system of internal controls in place for the year under review is sound and adequate to safeguard the shareholders' investment, the interest of customers, regulators and employees, and the Group's assets.

INTERNAL CONTROL FRAMEWORK

The Group's internal control framework covers the setting of a defined organisational structure with clear reporting lines and formalised roles and responsibilities. Relevant executive directors and senior management have been delegated with respective limit of authorities and have specific accountability for monitoring the performance of business operating units. Annual business plans and budgets of the Group are reviewed and approved by the Board. The performance of each business unit is assessed against the respective approved budget, with explanation on significant variances provided to the Board on a periodic basis. This helps the Board and the senior management monitor the Group's business operations and plan on a prudent and timely basis.

INTERNAL AUDIT

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

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

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditor has reviewed this Statement on Internal Control for its inclusion in the Group's annual report for the financial year ended 31 March 2012. The external auditor has reported to the Board that nothing has come to its attention that causes it to believe that the statement is inconsistent with its understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

Audit Committee Report

The Board is pleased to present the Audit Committee Report for the financial year ended 31 March 2012.

MEMBERSHIP

The Audit Committee comprises four directors as follows:

Mr David YU Hon To	*(Chairman/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)*

MEETINGS

The Audit Committee held six (6) meetings during the year, which were attended by all members.

Members	**Number of meetings attended**	**Percentage of attendance**
Mr David YU Hon To *(Chairman)*	6/6	100%
Tan Sri Dato' LAU Yin Pin	6/6	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	6/6	100%
Mr LEONG Chew Meng	6/6	100%

By invitation, the Group Chief Executive Officer, the relevant Executive Directors, Head of Internal Audit Function and Head of Finance Department were present for each meeting.

The external auditor attended two meetings during the year and was invited to discuss matters relating to interim review for the six months ended 30 September 2011 and annual audit for the year ended 31 March 2012. The external auditor was given the opportunity to raise areas of concern and matters related to audit and interim review without the presence of management.

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

Audit Committee Report

TERMS OF REFERENCE

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

1. Formation

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

2. Composition

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

All members should be financially literate and at least one member must be:

a) A member of the Malaysian Institute of Accountants; or

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

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

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

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

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

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

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

3. Quorum

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

4. Chairman

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

5. Meetings

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

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

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

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

6. Objectives

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

7. Authority

The Audit Committee is authorised by the Board:

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

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

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

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

e) to obtain independent professional or other advice; and

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

Audit Committee Report

8. Functions

The functions of the Audit Committee shall be:

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

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

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

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

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

(v) the adequacy of scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;

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

(vii) the quarterly results, interim results and year end financial statements prior to the approval by the Board of Directors, focusing particularly on:

- changes in and implementation of accounting policies and practices;
- significant adjustments resulting from audit;
- compliance with accounting standards;
- compliance with the HK Listing Rules, Bursa Securities Listing Requirements and other legal and regulatory requirements in relation to financial reporting; and
- significant and unusual events;

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

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

c) to recommend the nomination of a person or persons as external auditors; and

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

Audit Committee Report

SUMMARY OF ACTIVITIES

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

Financial results

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

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

Internal audit

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

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

c) Reviewed and deliberated on internal audit reports and follow-up reports conducted by the internal audit function;

d) Reviewed the recommendations by the internal audit function and appraised the adequacy and effectiveness of management response in resolving the internal audit issues reported;

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

f) Reviewed the adequacy of resources and the competencies of staff within the internal audit function to execute the plan and the results of its work.

External audit

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

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

c) Reviewed the proposed audit fees for the external auditor for the financial year ended 31 March 2012; and

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

Others

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

b) Reviewed the circular to shareholders in respect of the proposed shareholders' mandate for recurrent related party transactions and statement in relation to the proposed renewal of share buy-back mandate;

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

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

INTERNAL AUDIT FUNCTION

The Audit Committee is supported by the in-house Internal Audit Function who performs the internal audit function for the Group. The Internal Audit Function is independent of the activities or operations it reviews.

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

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

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

The total costs incurred for the Internal Audit Function for the financial year ended 31 March 2012 was approximately US$209,000.

SHARE OPTION SCHEME

The share option scheme of the Company expired on 20 August 2011 and no new share option scheme has been adopted. The Audit Committee will be involved in reviewing the allocation of the options pursuant to the criteria set out in the new share option scheme (if any).

Report of the Directors

The directors submit their report together with the audited financial statements of the Group for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

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

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

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

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 75.

A special dividend and a first interim dividend in respect of the current year of US$0.400 cents (2010–2011: nil) and US0.800 cents (2010–2011: US0.800 cents) per share totaling US$20,247,000 (2010–2011: US$13,471,000) were paid on 6 October 2011 and 30 December 2011 respectively.

On 30 May 2012, the Board has declared a second interim dividend of US1.448 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2012. The dividend will be payable on 27 June 2012 in cash in RM or in HK$ at exchange rates determined on 30 May 2012 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 14 June 2012.

The middle exchange rates at 12:00 noon on 30 May 2012 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	3.1595	4.575 sen
US$ to HK$	7.7634	HK11.241 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 notes 33 and 34 to the financial statements.

DONATIONS

Charitable and other donations made by the Group during the year amounted to US$42,000.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

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

SHARE CAPITAL

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

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2012, calculated under the Companies Act of 1981 of Bermuda (as amended), amounted to US$123,629,000 (2011: US$124,803,000).

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 155.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year, the Company repurchased a total of 3,000 of its listed shares on the HK Stock Exchange for the purpose of validating the declaration of solvency in relation to the share buyback mandate in accordance with the provision of the Malaysian Companies Act. Details of the repurchases are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share		Aggregate purchase consideration	Equivalents in
		Highest	Lowest		
		HK$	HK$	HK$	US$
August 2011	3,000	2.95	2.95	8,850	1,135

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

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

Report of the Directors

DIRECTORS

The directors 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 (passed away on 14 January 2012)
Dato' Sri Dr TIONG Ik King
Mr Tiong Kiew Chiong *(Group Chief Executive Officer)*
Mr NG Chek Yong (appointed on 1 March 2012)
Ms SIEW Nyoke Chow

Non-executive Directors

Mr LEONG Chew Meng
Ms SIM Sai Hoon (re-designated from executive director to non-executive director on 1 October 2011, and resigned on 1 April 2012)

Independent Non-executive Directors

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

Mr NG Chek Yong was appointed as an executive director of the Company on 1 March 2012 to fill a casual vacancy. In accordance with Bye-Law 102(B) of the Company's Bye-Laws, he will hold office until the forthcoming annual general meeting and shall be eligible for re-election.

In accordance with Bye-Law 99(A) of the Company's Bye-Laws, Mr TIONG Kiew Chiong, Ms SIEW Nyoke Chow and Mr David YU Hon To will 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, being the Chairman of the Board, 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, 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.

Report of the Directors

COMPETING BUSINESS

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

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

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

DIRECTORS' SERVICE CONTRACTS

Each of the directors has entered into a service contract with the Company for a term of 2 years commencing from 1 April 2012 until 31 March 2014, except for Mr NG Chek Yong whose service contract with the Company commenced from 1 March 2012 to 28 February 2014.

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

SHARE OPTION SCHEMES

(a) Share option scheme of the Company

Pursuant to a share option scheme approved at the special general meeting of the Company held on 21 August 2001 (the "MCI Scheme") and for the primary purpose of providing incentive to full time employees, the directors of the Company might at their discretion invite full time employees, including executive directors, of the Company and its subsidiaries to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Company had no legal or constructive obligation to repurchase or settle the options in cash. The MCI Scheme expired on 20 August 2011 and no new share option scheme has been adopted by the Company.

(i) Summary of terms:

The maximum individual entitlement of options should not exceed 25% of the maximum aggregate number of shares in the capital of the Company in respect of which options might at that time be granted under the MCI Scheme. The maximum number of shares in respect of which options might be granted (together with options exercised and options then outstanding) under the MCI Scheme might not exceed 10% of the issued share capital of the Company from time to time excluding (i) any shares which were 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 would remain valid for a period of ten years commencing on 21 August 2001 after which period no further options would be offered. The offer of a grant of share options might 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 were 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 was earlier.

Pursuant to the requirements of HK Listing Rules 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 would 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	Balance at 1 April 2011	Granted during the year (note 1)	Exercised during the year (note 2)	Lapsed during the year (note 3)	Balance at 31 March 2012	Percentage of issued ordinary shares at 31 March 2012	Exercise price per share HK$	Date of grant	Exercisable period
	Number of shares involved in share options								
Directors:									
Mr TIONG Kiu King	300,000	—	(300,000)	—	—	—	1.592	31/08/2001	01/09/2001–20/08/2011
Mr TIONG Kiu King	300,000	—	(300,000)	—	—	—	1.800	15/09/2003	16/09/2003–20/08/2011
Dato' Sri Dr TIONG Ik King	300,000	—	(300,000)	—	—	—	1.592	31/08/2001	01/09/2001–20/08/2011
Dato' Sri Dr TIONG Ik King	300,000	—	(300,000)	—	—	—	1.800	15/09/2003	16/09/2003–20/08/2011
Mr TIONG Kiew Chiong	300,000	—	(300,000)	—	—	—	1.592	31/08/2001	01/09/2001–20/08/2011
Mr TIONG Kiew Chiong	300,000	—	(300,000)	—	—	—	1.800	15/09/2003	16/09/2003–20/08/2011
	1,800,000	—	(1,800,000)	—	—	—			
Full time employees	915,000	—	(500,000)	(415,000)	—	—	1.592	31/08/2001	01/09/2001–20/08/2011
Full time employees	573,000	—	(358,000)	(215,000)	—	—	1.320	29/08/2003	30/08/2003–20/08/2011
Total	3,288,000	—	(2,658,000)	(630,000)	—	—			

Notes:

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

(2) During the year, 900,000 shares, 1,400,000 shares and 358,000 shares of HK$0.10 each were issued at per share prices of HK$1.800, HK$1.592 and HK$1.320 respectively as a result of the exercise of the Company's share options under the MCI Scheme. 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$2.91.

(3) During the year, 630,000 share options lapsed by reason of the expiration of the MCI Scheme on 20 August 2011.

(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 73.18% at the date of this report.

The pre-IPO share option scheme ("Pre-IPO Scheme") and the post-IPO share option scheme ("Post-IPO Scheme") (together the "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 OMG listing date,

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

(ii) As at 31 March 2012, 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 1 April 2011	Granted during the year *(note 2)*	Exercised during the year *(note 2)*	Lapsed during the year *(note 3)*	Re-classified during the year *(note 4)*	Balance at 31 March 2012	Percentage of issued ordinary shares of OMG at 31 March 2012	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)	—	—	1.200	27/09/2005	18/10/2005–25/09/2015
Dato' Sri Dr TIONG Ik King *(note 1a)*	1,000,000	—	—	—	—	1,000,000	0.25%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr TIONG Kiew Chiong *(note 1a)*	1,250,000	—	—	—	—	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr David YU Hon To *(note 1a)*	150,000	—	—	—	—	150,000	0.04%	1.200	27/09/2005	18/10/2005–25/09/2015
	4,900,000	—	—	—	(1,250,000)	3,650,000	0.91%			
Full time employees of the Group and directors of OMG *(note 1a)*	4,500,000	—	—	(1,000,000)	—	3,500,000	0.88%	1.200	27/09/2005	18/10/2005–25/09/2015
Full time employees of the Group *(note 1b)*	808,000	—	—	(16,000)	—	792,000	0.20%	1.200	27/09/2005	18/10/2005–25/09/2015
Legal personal representative of Mr TIONG Kiu King	—	—	—	—	1,250,000	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Total	10,208,000	—	—	(1,016,000)	—	9,192,000	2.30%			

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 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

b. 100% of the OMG's shares 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. 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, 1,016,000 share options lapsed by reason of the grantees ceased their employment with OMG and its subsidiaries.

(4) Mr TIONG Kiu King passed away on 14 January 2012 and his legal personal representative shall be entitled within the period of 12 months from the date of his death to exercise the options in full pursuant to the terms of OMG Schemes. As a result, Mr TIONG's 1,250,000 share options were re-classified to be held by his legal personal representative during the year.

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

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in Statement on Corporate Governance under "Recurrent Related Party Transactions of a Revenue Nature or Trading Nature" on pages 44 to 49, no contracts of significance in relation to the Group's businesses to which the Company, any of its subsidiaries, its holding company or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

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

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

	Number of ordinary shares of HK$0.1 each				
	As at 1 April 2011	Bought	Share options exercised	Sold	As at 31 March 2012
(i) The Company					
Direct interest in shares:					
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	—	—	—	87,109,058
Dato' Sri Dr TIONG Ik King	10,544,189	—	600,000	—	11,144,189
Mr TIONG Kiew Chiong	3,246,483	461,300	600,000	700,000	3,607,783
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	—	—	—	135,925
Indirect interest in shares:					
Tan Sri Datuk Sir TIONG Hiew King	796,968,939	—	—	—	796,968,939(2)
Dato' Sri Dr TIONG Ik King	252,487,700	—	—	—	252,487,700(1)
(ii) Subsidiary — OMG					
Direct interest in shares:					
Mr TIONG Kiew Chiong	4,000,000	—	—	—	4,000,000
Indirect interest in shares:					
Tan Sri Datuk Sir TIONG Hiew King	292,700,000	—	—	—	292,700,000(3)
Dato' Sri Dr TIONG Ik King	292,700,000	—	—	—	292,700,000(3)

Notes:

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

(2) Tan Sri Datuk Sir TIONG Hiew King is deemed to be interested in the shares by virtue of his spouse's interest in 234,566 shares and his corporate interests in 796,734,373 shares. The details of corporate interests are set out in note 1 of paragraph (b)(i) "Interests in shares in the Company" on page 67.

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

(b) At 31 March 2012, the interests and share options of the directors, chief executives and their associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Hong Kong Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code are as follows:

(i) Interests in shares in the Company

Name of director	Personal interests	Family interests	Corporate interests	Total interest in shares	Percentage of issued ordinary shares at 31 March 2012
	Number of shares held				
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	234,566	796,734,373 *(note 1)*	884,077,997	52.40%
Dato' Sri Dr TIONG Ik King	11,144,189	—	252,487,700 *(note 2)*	263,631,889	15.63%
Mr TIONG Kiew Chiong	3,607,783	—	—	3,607,783	0.21%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	—	—	135,925	0.01%

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

Notes:

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

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

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

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

(ii) Interests in shares and underlying shares in OMG

	Number of shares/underlying shares held					
Name of director	**Personal interests**	**Corporate interests**	**Total interest in shares**	**Interests in underlying shares pursuant to share options** *(note 1)*	**Aggregate interests**	**Percentage of issued ordinary shares of OMG at 31 March 2012**
Tan Sri Datuk Sir TIONG Hiew King	—	292,700,000 *(note 2)*	292,700,000	1,250,000	293,950,000	73.49%
Dato' Sri Dr TIONG Ik King	—	292,700,000 *(note 2)*	292,700,000	1,000,000	293,700,000	73.43%
Mr TIONG Kiew Chiong	4,000,000	—	4,000,000	1,250,000	5,250,000	1.31%
Mr David YU Hon To	—	—	—	150,000	150,000	0.04%

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

Notes:

(1) 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.

(2) Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in the 292,700,000 shares in OMG held by Comwell Investment Limited which is an indirect wholly-owned subsidiary of the Company. Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in 52.40% and 15.63% of the Company's shares respectively. Details of their shareholdings in the Company are set out in paragraph (b)(i) "Interests in shares in the Company" on page 67.

Save as disclosed above and those disclosed under "Share Option Schemes", at 31 March 2012, none of the directors, chief executives and their associates had any interests in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code.

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

The register of substantial shareholders required to be kept under Section 336 of Part XV of the SFO shows that as at 31 March 2012, the Company had been notified of the following substantial shareholders' interest and short position, being 5% or more of the Company's issued share capital:

Name of shareholder	Number of ordinary shares held	Percentage of issued ordinary shares at 31 March 2012
Progresif Growth Sdn Bhd *(note 1)*	326,463,556	19.35%
Conch Company Limited *(note 2)*	252,487,700	14.96%
Zaman Pemimpin Sdn Bhd *(note 3)*	154,219,783	9.14%

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

Notes:

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

(2) The details of shares held by Conch are set out in note 2 of paragraph (b)(i) "Interests in shares in the Company" on page 67.

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

Save as disclosed above and those disclosed under "Particulars of Interests Held by Directors, Chief Executives and Their Associates", the Company had not been notified of any other interests representing 5% or more of the issued share capital of the Company as at 31 March 2012.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 March 2012, certain directors and companies controlled by certain directors entered into transactions with the Group which are disclosed in note 40 "Related party transactions" to the financial statements.

These related party transactions, which were carried out by the Group in the ordinary course of business and on normal commercial terms during the year ended 31 March 2012, did not constitute discloseable connected transactions or continuing connected transactions (as the case may be) under Chapter 14A of the HK Listing Rules.

MANAGEMENT CONTRACTS

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

PENSION SCHEME ARRANGEMENT

Hong Kong

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

During the year, the Scheme was funded by contributions from both the employees and the Group at 5% each of the monthly basic salaries of the employees. Actual contributions paid by the Group was only 3.8% of the monthly basic salaries of the employees, the difference was funded from the forfeiture reserve. Forfeited employers' contributions arising from early termination of services by employees are credited to a forfeiture reserve for the purposes of funding the differences in the Group's contributions as aforesaid and for covering any shortfall on the defined benefit plans. The total amount available for such purposes amounted to US$1,235,000 at 31 March 2012 (31 March 2011: US$1,503,000).

The most recent independent actuarial valuation of the Scheme (the "Valuation") was carried out as at 31 March 2012 by Towers Watson Hong Kong Limited, a professionally qualified independent actuary. According to the Valuation, the Scheme was solvent at the date of the Valuation.

With effect from 1 December 2000, all new joiners of the Group are eligible to join the MPF. The Group's contributions to the MPF are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of HK$1,000 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.

(b) Defined benefit plans

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

Other countries

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

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

Report of the Directors

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year.

The percentage of purchases for the year attributable to the Group's major suppliers are as follows:

— the largest supplier	20%
— five largest suppliers combined	37%

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

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

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

On behalf of the Board

TIONG Kiew Chiong
Director
30 May 2012

Statement of Directors' Responsibilities in relation to the Financial Statements

The following statement, which should be read in conjunction with the Independent Auditor's Report set out on pages 73 to 74, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditor in relation to the financial statements.

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

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

— select suitable accounting policies and then apply them consistently;

— make judgements and estimates that are reasonable and prudent;

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

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

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

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

Independent Auditor's Report

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REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

We have audited the consolidated financial statements of Media Chinese International Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 75 to 153, which comprise the consolidated and company statements of financial position as at 31 March 2012, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

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

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

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

Independent Auditor's Report

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2012, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in note 43 on page 153 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 May 2012

Consolidated Income Statement

	Note	For the year ended 31 March 2012 US$'000	2011 US$'000
Turnover	*5*	**472,237**	445,844
Cost of goods sold		**(285,492)**	(265,271)
Gross profit		**186,745**	180,573
Other income	*6*	**9,707**	7,652
Other gains, net	*7*	**3,037**	2,108
Selling and distribution expenses		**(70,489)**	(64,233)
Administrative expenses		**(36,969)**	(40,026)
Other operating expenses		**(6,516)**	(10,682)
Operating profit		**85,515**	75,392
Finance costs	*9*	**(339)**	(831)
Share of losses of associates	*21*	**(294)**	(354)
Gain on dilution of interest in an associate	*21*	**33**	—
Profit before income tax		**84,915**	74,207
Income tax expense	*10*	**(20,572)**	(18,422)
Profit for the year		**64,343**	55,785
Attributable to:			
Equity holders of the Company		**63,209**	54,825
Non-controlling interests		**1,134**	960
		64,343	55,785
Earnings per share attributable to the equity holders of the Company			
Basic (US cents)	*12*	**3.75**	3.26
Diluted (US cents)	*12*	**3.75**	3.25

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

	Note	For the year ended 31 March 2012 US$'000	2011 US$'000
Dividends	*13*	**44,678**	32,908

Consolidated Statement of Comprehensive Income

	For the year ended 31 March	
	2012	2011
	US$'000	US$'000
Profit for the year	**64,343**	55,785
Other comprehensive (losses)/income		
Currency translation differences	**(3,941)**	23,299
Actuarial losses of defined benefit plan assets	**(830)**	(117)
Actuarial losses of long service payment obligations	**(93)**	(9)
Revaluation gain recognised upon transfer from property held for own use to investment properties	**—**	699
Other comprehensive (losses)/income for the year, net of tax	**(4,864)**	23,872
Total comprehensive income for the year	**59,479**	79,657
Attributable to:		
Equity holders of the Company	**58,287**	78,653
Non-controlling interests	**1,192**	1,004
	59,479	79,657

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

	Note	At 31 March 2012 US$'000	2011 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*16*	**151,049**	157,145
Investment properties	*17*	**11,212**	11,428
Leasehold land and land use rights	*18*	**2,025**	2,079
Intangible assets	*19*	**78,124**	79,300
Deferred income tax assets	*20*	**1,426**	972
Defined benefit plan assets	*35*	**—**	277
Interests in associates	*21*	**2,253**	2,379
Investment in convertible notes — debt portion	*22*	**—**	537
		246,089	254,117
Current assets			
Inventories	*25*	**57,899**	69,153
Available-for-sale financial assets	*26*	**97**	97
Financial assets at fair value through profit or loss	*22*	**191**	213
Investment in convertible notes — debt portion	*22*	**568**	—
Trade and other receivables	*27*	**76,140**	68,911
Income tax recoverable		**1,625**	1,471
Cash and cash equivalents	*28*	**134,657**	110,519
		271,177	250,364
Current liabilities			
Trade and other payables	*29*	**70,623**	68,816
Income tax liabilities		**5,520**	5,671
Short-term bank loans	*30*	**5,285**	14,865
Current portion of long-term liabilities	*31*	**145**	451
		81,573	89,803
Net current assets		**189,604**	160,561
Total assets less current liabilities		**435,693**	414,678

Consolidated Statement of Financial Position

	Note	At 31 March **2012** **US$'000**	2011 US$'000
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	*32*	**21,715**	21,681
Share premium	*32*	**280,818**	280,299
Other reserves	*33*	**(72,679)**	(67,757)
Retained earnings			
— Proposed dividend	*13*	**24,431**	19,437
— Others		**159,279**	140,748
		183,710	160,185
		413,564	394,408
Non-controlling interests		**6,229**	5,457
Total equity		**419,793**	399,865
Non-current liabilities			
Other long-term liabilities	*31*	**1,348**	1,267
Deferred income tax liabilities	*20*	**14,552**	13,546
		15,900	14,813
		435,693	414,678

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

The financial statements on pages 75 to 153 were approved by the Board of Directors on 30 May 2012 and were signed on its behalf by:

Tan Sri Datuk Sir TIONG Hiew King
Director

TIONG Kiew Chiong
Director

Statement of Financial Position

	Note	At 31 March 2012 US$'000	2011 US$'000
ASSETS			
Non-current assets			
Interests in subsidiaries	*23*	**430,541**	430,541
Current assets			
Trade and other receivables	*27*	**52**	50
Cash and cash equivalents	*28*	**56**	62
		108	112
Current liabilities			
Trade and other payables	*29*	**5,535**	4,938
Net current liabilities		**(5,427)**	(4,826)
Total assets less current liabilities		**425,114**	425,715
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	*32*	**21,715**	21,681
Share premium	*32*	**280,818**	280,299
Other reserves	*33*	**24,741**	24,721
Retained earnings			
— Proposed dividend	*13*	**24,431**	19,437
— Others		**73,409**	79,577
	34	**97,840**	99,014
Total equity		**425,114**	425,715

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

The financial statements on pages 75 to 153 were approved by the Board of Directors on 30 May 2012 and were signed on its behalf by:

Tan Sri Datuk Sir TIONG Hiew King
Director

TIONG Kiew Chiong
Director

Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company						
	Share capital US$'000	Share premium US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 April 2010	21,672	280,160	(92,337)	131,814	341,309	8,263	349,572
Total comprehensive income for the year	—	—	23,828	54,825	78,653	1,004	79,657
Transactions with equity holders in their capacity as owners:							
Exercise of share options	9	139	—	—	148	—	148
Acquisition of additional interest in a listed subsidiary	—	—	722	—	722	(2,429)	(1,707)
Disposal of interest in a listed subsidiary without loss of control	—	—	20	—	20	134	154
Share compensation costs on share options granted by a listed subsidiary	—	—	10	—	10	4	14
2009–2010 final dividend paid by a listed subsidiary	—	—	—	—	—	(1,413)	(1,413)
2009–2010 second interim dividend paid	—	—	—	(12,983)	(12,983)	—	(12,983)
2010–2011 interim dividend paid by a listed subsidiary	—	—	—	—	—	(106)	(106)
2010–2011 first interim dividend paid	—	—	—	(13,471)	(13,471)	—	(13,471)
Total transactions with equity holders	9	139	752	(26,454)	(25,554)	(3,810)	(29,364)
At 31 March 2011	21,681	280,299	(67,757)	160,185	394,408	5,457	399,865

Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company						
	Share capital US$'000	Share premium US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 April 2011	**21,681**	**280,299**	**(67,757)**	**160,185**	**394,408**	**5,457**	**399,865**
Total comprehensive (losses)/income for the year	—	—	(4,922)	63,209	58,287	1,192	59,479
Transactions with equity holders in their capacity as owners:							
Exercise of share options	34	520	—	—	554	—	554
Repurchase of ordinary shares	—	(1)	—	—	(1)	—	(1)
2010–2011 final dividend paid by a listed subsidiary	—	—	—	—	—	(286)	(286)
2010–2011 second interim dividend paid	—	—	—	(19,437)	(19,437)	—	(19,437)
2011–2012 special dividend paid	—	—	—	(6,749)	(6,749)	—	(6,749)
2011–2012 interim dividend paid by a listed subsidiary	—	—	—	—	—	(134)	(134)
2011–2012 first interim dividend paid	—	—	—	(13,498)	(13,498)	—	(13,498)
Total transactions with equity holders	34	519	—	(39,684)	(39,131)	(420)	(39,551)
At 31 March 2012	**21,715**	**280,818**	**(72,679)**	**183,710**	**413,564**	**6,229**	**419,793**

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Note	2012 US$'000	2011 US$'000
		For the year ended 31 March	
Cash flows from operating activities			
Cash generated from operations	*36(a)*	**99,918**	111,694
Interest on bank loans		**(295)**	(807)
Interest element of finance lease payments		**(44)**	(24)
Income tax paid		**(20,113)**	(16,009)
Net cash generated from operating activities		**79,466**	94,854
Cash flows from investing activities			
Acquisition of an associate		**(64)**	—
Acquisition of additional interest in a listed subsidiary		**—**	(1,707)
Disposal of interest in a listed subsidiary without loss of control		**—**	154
Purchase of property, plant and equipment		**(7,200)**	(19,188)
Purchase of intangible assets		**(586)**	(738)
Proceeds from disposal of property, plant and equipment	*36(b)*	**292**	107
Proceeds from disposal of investment properties		**206**	85
Interest received		**2,543**	1,338
Dividends received		**10**	9
Net cash used in investing activities		**(4,799)**	(19,940)
Cash flows from financing activities			
Repurchase of ordinary shares		**(1)**	—
Proceeds from exercise of share options		**554**	148
Dividends paid		**(39,684)**	(26,454)
Dividends paid to non-controlling interests by a listed subsidiary		**(420)**	(1,519)
Proceeds from bank loans		**15,846**	26,675
Repayment of bank loans		**(25,450)**	(44,845)
Capital element of finance lease payments		**(734)**	(348)
Net cash used in financing activities		**(49,889)**	(46,343)
Net increase in cash and cash equivalents		**24,778**	28,571
Cash and cash equivalents at beginning of year		**110,519**	77,437
Exchange adjustments on cash and cash equivalents		**(640)**	4,511
Cash and cash equivalents at end of year	*28*	**134,657**	110,519

The notes on pages 83 to 153 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 March 2012

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, Mainland China, North America, Malaysia and other Southeast Asian countries. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") since 22 March 1991 and subsequently dual-listed on Bursa Malaysia Securities Berhad ("Bursa Securities") on 30 April 2008.

These financial statements are presented in US dollar ("US$"), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 30 May 2012.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

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

(a) New/revised standards, amendments and interpretations adopted by the Group

The following new/revised standards, amendments and interpretations are mandatory for the first time for the Company's financial year beginning 1 April 2011:

IAS 24 (Revised)	Related party disclosures
IAS 32 (Amendment)	Classification of rights issues
IFRS 1 (Amendment)	Limited exemption from comparative IFRS 7 disclosures for first-time adopters
IFRIC 14 (Amendment)	Prepayments of a minimum funding requirement
IFRIC 19	Extinguishing financial liabilities with equity instruments
Annual Improvements Project	Third annual improvements projects (2010) published in May 2010

The Group has assessed the impact of the adoption of these new/revised standards, amendments and interpretations and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the accounts.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

(b) New/revised standards, amendments and interpretations that are not yet effective and have not been early adopted

The following new/revised standards, amendments and interpretations have been issued but not yet effective for the financial year beginning 1 April 2011 and have not been early adopted by the Group:

		Effective for accounting period beginning on or after
IAS 1 (amendment)	Presentation of financial statements	1 July 2012
IAS 12 (amendment)	Deferred tax: Recovery of underlying assets	1 January 2012
IAS 19 (revised 2011)	Employee benefits	1 January 2013
IAS 27 (revised 2011)	Separate financial statements	1 January 2013
IAS 28 (revised 2011)	Associates and joint ventures	1 January 2013
IAS 32 (amendment)	Offsetting financial assets and financial liabilities	1 January 2014
IFRS 1 (amendment)	Severe hyper inflation and removal of fixed dates for first-time adopters	1 July 2011
IFRS 1 (amendment)	Government loans for first time adopters	1 January 2013
IFRS 7 (amendment)	Disclosures — transfers of financial assets	1 July 2011
IFRS 7 (amendment)	Disclosures — offsetting financial assets and financial liabilities	1 January 2013
IFRS 9	Financial instruments	1 January 2015
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of interests in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013
IFRIC 20	Stripping costs in the production phase of a surface mine (November 2011)	1 January 2013

The Group is currently assessing the impact of the adoption of the above new/revised standards, amendments and interpretations, but not yet in a position to state whether they would have a significant impact to the Group's consolidated financial statements.

2.2 Subsidiaries

(a) Consolidation

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Subsidiaries *(Continued)*

(a) Consolidation *(Continued)*

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

(i) Business combinations

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

Acquisition-related costs are expensed as incurred.

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

(ii) Changes in ownership interests in subsidiaries without change of control

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

(iii) Disposal of subsidiaries

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Subsidiaries *(Continued)*

(b) Separate financial statements

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

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

2.3 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting. Under the equity method, the interest is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's interests in associates include goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the consolidated income statement where appropriate.

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

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

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

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

2.4 Segment reporting

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

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

During the year ended 31 March 2012, the Group is particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group's operation is located in Malaysia, and a decrease in the exchange fluctuation reserve by US$4,003,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

(b) Transactions and balances

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

(c) Group companies

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Property, plant and equipment

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

Buildings, which are situated on leasehold land and held for own use, are stated at cost 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%.

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

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

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

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

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

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

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

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

2.7 Investment properties

Investment properties 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.8 Intangible assets

(a) Goodwill

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

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

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

(b) Other intangible assets

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

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

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

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

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets 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.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial assets

(a) Classification

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.

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

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

(ii) Loans and receivables

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

(iii) 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 end of each reporting period. The Group's available-for-sale financial assets comprise "unlisted club debentures" in the consolidated statement of financial position.

(b) Recognition and measurement

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

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

The fair value of quoted investments 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.11 Offsetting financial instruments

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

2.12 Impairment of financial assets

(a) Assets carried at amortised cost

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

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

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

(b) Assets classified as available-for-sale

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

2.13 Inventories

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.14 Trade and other receivables

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

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

2.15 Cash and cash equivalents

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

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.17 Borrowings

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

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

2.18 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Current and deferred income tax *(Continued)*

(b) Deferred income tax

Inside basis differences

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

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

Outside basis differences

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

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax jurisdiction on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 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 end of each reporting period.

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 end of each reporting period and are measured at the amounts expected to be paid when they are settled.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Employee benefits *(Continued)*

(c) Pension obligations

The Group operates various pension schemes. These schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The Group's defined contribution plans cover eligible employees in Hong Kong, North America, Mainland China, Malaysia and other Southeast Asian countries.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the consolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Employee benefits *(Continued)*

(c) Pension obligations *(Continued)*

Defined benefit plans (Continued)

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

(i) The defined benefit plan for the Group's employees in Hong Kong is funded by means of an independent pension fund. The liability recognised in the consolidated statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligations at the end of each reporting period less the fair value of plan assets, together with adjustments for actuarial gains and losses and unrecognised past-service costs. Defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields of Hong Kong Government's Exchange Fund Notes which are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

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

(d) Long service payments

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

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

2.20 Share-based payments

Equity-settled share-based payment transactions

The Group operates a number of equity-settled, share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

— including any market performance conditions (for example, the Group's share prices);

— excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the Group over a specified time period); and

— including the impact of any non-vesting conditions (for example, the requirement for employees to save).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.20 Share-based payments *(Continued)*

Equity-settled share-based payment transactions *(Continued)*

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.21 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.

2.22 Financial guarantees

A financial guarantee (a kind of insurance contract) is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified customer fails to make payments when due in accordance with the original or modified terms of a debt instrument. The Group does not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at each reporting date by comparing the carrying amount of the net liability regarding the financial guarantee with its present legal or constructive obligation amount. If the carrying amount of the net liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the consolidated income statement immediately.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.23 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.

2.24 Revenue recognition

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

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

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

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

Revenue from scrap sales of old newspapers and magazines is recognised on the date of delivery.

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

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

Management fee income is recognised on an accrual basis.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.25 Leases

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

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the commencement of leases at the lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in current and long-term liabilities. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the useful life of the asset and the lease term.

2.26 Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are declared by the directors in the case of interim and special dividends or approved by the Company's shareholders in the case of final dividends.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

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

(a) Price risk

The Group is exposed to listed equity securities price risk because investments held by the Group are classified on the consolidated statement of financial position as financial assets at fair value through profit or loss, for which management adopts the indicative market value provided by the issuers as its best estimate of the fair values of such securities. Details are set out in note 22. The management monitors the investment portfolio and the related price risk.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Interest rate risk

The Group's cash balances are placed with authorised financial institutions, which generate interest income for the Group. They are exposed to the cash flow interest rate risk. The Group manages this risk by placing deposits at various maturities and interest rate terms.

The Group's bank 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 bank loans and obligations under finance leases.

To evaluate the sensitivity of the Group's profit before income tax from possible changes in interest rates, the impact of an interest rate change was modeled on the floating rate of bank loans and obligation under finance leases while all other variables were held constant. Based on these assumptions, a hypothetical increase of 100 basis points, or 1% per annum, in interest rates would have reduced the Group's profit before income tax for the years ended 31 March 2012 and 2011 by approximately US$53,000 and US$156,000 respectively.

(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 27. The Group maintains cash and cash equivalents with reputable financial institutions from which management believes the risk of loss to be remote. The management assesses the credit quality of outstanding cash and cash equivalents balances as high and considers no individually significant exposure. Maximum exposure to credit risk at the reporting date is the carrying value of the cash at banks.

(d) Foreign exchange risk

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

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

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 cash flow and financing cash flow.

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

	Group		Company	
	2012	2011	**2012**	2011
	US$'000	US$'000	**US$'000**	US$'000
Bank borrowings and finance lease liabilities				
within one year	**5,297**	15,371	**—**	—
in the second year	**—**	349	**—**	—
in the third to fifth year	**—**	46	**—**	—
	5,297	15,766	**—**	—
Trade and other payables within one year	**48,197**	45,933	**1,575**	1,571
Amounts due to subsidiaries within one year	**—**	—	**3,960**	3,367
	53,494	61,699	**5,535**	4,938

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 statement of financial position.

During the year ended 31 March 2012, the Group's strategy was to maintain a gearing ratio below 10% (2011: 10%).

As at 31 March 2012, the Group's gearing ratio was zero (2011: zero).

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

— Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

— Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

— Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets that are measured at fair value at 31 March 2012:

	Level 1 US$'000	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**
Financial assets at fair value through profit or loss				
Listed equity securities	**191**	**—**	**—**	**191**
Available-for-sale financial assets				
Unlisted club debentures	**—**	**—**	**97**	**97**
	191	**—**	**97**	**288**

The following table presents the Group's assets that are measured at fair value at 31 March 2011:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss				
Listed equity securities	213	—	—	213
Available-for-sale financial assets				
Unlisted club debentures	—	—	97	97
	213	—	97	310

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There was no transfer between level 1 and level 2 of the fair value hierarchy during the year. There was no change during the year attributable to level 3 of the fair value hierarchy.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.8(a). The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates. Changing the assumptions selected by the Group to determine the level, if any, of impairment, including the discount rate or the growth rate assumptions, could significantly affect the Group's reported financial condition and results of operations. The assumptions used are set out in note 19.

(b) Income taxes

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

(c) Deferred income tax assets

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

(d) Fair value of investment properties

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(e) Defined benefit plan assets/(liabilities)

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

Other key assumptions for defined benefit plan assets/(liabilities) are based in part on current market conditions. Additional information is disclosed in note 35.

(f) Provision for long service payments

The provision for long service payments is based on the best estimation of the probable future payments that have been earned by the employees from their services to the Group at the end of each reporting period. Actuarial assumptions made in respect of discount rate, 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 statement of financial position.

Other key assumptions for provision for long service payments are based in part on current market conditions. Additional information is disclosed in note 31.

5 TURNOVER AND SEGMENT INFORMATION

The Group has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for making strategic decisions.

The Group is organised operationally on a worldwide basis in four major operating segments:

— Publishing and printing: Malaysia and other Southeast Asian countries
— Publishing and printing: Hong Kong and Mainland China
— Publishing and printing: North America
— Travel and travel related services

Publishing and printing segment is engaged in the publication of various newspapers and magazines in Chinese language, and other related printed and digital publications. It derives its revenue mainly from advertising and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sale of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as per internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The Group's turnover and results for the year ended 31 March 2012, analysed by operating segments, are as follows:

	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	291,997	79,924	29,999	401,920	70,317	472,237
Segment profit before income tax	72,718	9,217	1,452	83,387	2,461	85,848
Net unallocated expenses						(672)
Share of losses of associates						(294)
Gain on dilution of interest in an associate						33
Profit before income tax						84,915
Income tax expense						(20,572)
Profit for the year						64,343
Other information:						
Interest income	2,278	285	4	2,567	5	2,572
Interest expense	(286)	(9)	(44)	(339)	—	(339)
Depreciation	(8,309)	(2,146)	(511)	(10,966)	(78)	(11,044)
Amortisation of leasehold land and land use rights	—	(60)	—	(60)	—	(60)
Amortisation of intangible assets	(877)	(88)	(79)	(1,044)	(12)	(1,056)
Share of losses of associates	—	(294)	—	(294)	—	(294)
Gain on dilution of interest in an associate	—	33	—	33	—	33
Income tax expense	(18,581)	(1,180)	(450)	(20,211)	(361)	(20,572)

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The Group's turnover and results for the year ended 31 March 2011, analysed by operating segments, are as follows:

	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	276,185	74,542	29,790	380,517	65,327	445,844
Segment profit before income tax	64,390	5,245	3,468	73,103	1,892	74,995
Net unallocated expenses						(434)
Share of loss of an associate						(354)
Profit before income tax						74,207
Income tax expense						(18,422)
Profit for the year						55,785
Other information:						
Interest income	1,240	124	—	1,364	2	1,366
Interest expense	(773)	(34)	(24)	(831)	—	(831)
Depreciation	(7,388)	(1,645)	(551)	(9,584)	(85)	(9,669)
Amortisation of leasehold land and land use rights	—	(60)	—	(60)	—	(60)
Amortisation of intangible assets	(776)	(52)	(69)	(897)	(4)	(901)
Impairment of an intangible asset	(4,132)	—	—	(4,132)	—	(4,132)
Share of loss of an associate	—	(354)	—	(354)	—	(354)
Income tax expense	(15,244)	(1,346)	(1,566)	(18,156)	(266)	(18,422)

Turnover is derived from publishing, printing and distribution of Chinese language newspapers, magazines and books, and provision of travel and travel related services. Turnover recognised during the year is as follows:

	2012 US$'000	2011 US$'000
Advertising income, net of trade discounts	**285,369**	264,004
Sales of newspapers, magazines and books, net of trade discounts and returns	**116,551**	116,513
Travel and travel related services income	**70,317**	65,327
	472,237	445,844

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The segment assets as at 31 March 2012 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	**Hong Kong and Mainland China US$'000**	**North America US$'000**	**Sub-total US$'000**	**Travel and travel related services US$'000**	**Elimination US$'000**	**Total US$'000**
Segment assets	**408,824**	**85,138**	**14,814**	**508,776**	**11,352**	**(6,309)**	**513,819**
Unallocated assets							**3,447**
Total assets							**517,266**
Total assets include:							
Interests in associates	**—**	**2,253**	**—**	**2,253**	**—**	**—**	**2,253**
Additions to non-current assets (other than defined benefit plan assets and deferred income tax assets)	**5,949**	**1,520**	**203**	**7,672**	**114**	**—**	**7,786**

The segment assets as at 31 March 2011 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Elimination US$'000	Total US$'000
Segment assets	406,079	74,122	14,680	494,881	9,233	(2,775)	501,339
Unallocated assets							3,142
Total assets							504,481
Total assets include:							
Interest in an associate	—	2,379	—	2,379	—	—	2,379
Additions to non-current assets (other than investment in convertible notes-debt portion, defined benefit plan assets and deferred income tax assets)	18,906	725	223	19,854	72	—	19,926

The elimination between segments represented intercompany receivables and payables between segments.

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

Segment assets consist of property, plant and equipment, investment properties, leasehold land and land use rights, intangible assets, interests in associates, investment in convertible notes — debt portion, inventories, trade and other receivables, and cash and cash equivalents. They exclude defined benefit plan assets, deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss and income tax recoverable.

The Company is domiciled in Bermuda while the Group operates its publishing and printing businesses mainly in Malaysia, other Southeast Asian countries, Hong Kong and Mainland China ("main operating countries"). Revenue from external customers of the Group's publishing and printing businesses for the year ended 31 March 2012, analysed by operating countries, is as follows:

	2012 **US$'000**	2011 US$'000
Main operating countries	**371,921**	350,727
Other countries	**29,999**	29,790
	401,920	380,517

As at 31 March 2012, the Group's total non-current assets, other than investment in convertible notes-debt portion, defined benefit plan assets and deferred income tax assets, analysed by operating countries, are as follows:

	2012 **US$'000**	2011 US$'000
Main operating countries	**239,178**	246,346
Other countries	**5,485**	5,985
	244,663	252,331

6 OTHER INCOME

	2012 **US$'000**	2011 US$'000
Scrap sales of old newspapers and magazines	**5,610**	5,009
Interest income	**2,572**	1,366
Rental and management fee income	**1,210**	1,012
License fee and royalty income	**305**	256
Dividend income	**10**	9
	9,707	7,652

7 OTHER GAINS, NET

	2012 US$'000	2011 US$'000
Net exchange gain	**534**	364
Fair value gains/(losses) on investment properties — net	**118**	(7)
Fair value losses on financial assets at fair value through profit or loss	**(22)**	(10)
Provision for impairment of available-for-sale financial assets	**—**	(546)
Others	**2,407**	2,307
	3,037	2,108

8 EXPENSES BY NATURE

	2012 US$'000	2011 US$'000
Amortisation of intangible assets	**1,056**	901
Amortisation of leasehold land and land use rights	**60**	60
Auditor's remuneration		
Current year	**693**	602
Under provision in prior years	**33**	41
Depreciation of property, plant and equipment	**11,044**	9,669
Direct cost of travel and travel related services	**61,427**	57,547
Employee benefit expense (including directors' emoluments) *(note 14)*	**107,224**	105,189
(Gains)/losses on disposal of property, plant and equipment — net *(note 36(b))*	**(27)**	7
(Gain)/loss on disposal of investment properties	**(19)**	11
Impairment of an intangible asset *(note 19)*	**—**	4,132
Loss on disposal of intangible assets	**—**	1
Operating lease expenses		
Land and buildings	**2,033**	1,824
Machineries	**18**	18
Provision for impairment and written off of trade receivables	**205**	344
Provision for inventory obsolescence	**102**	137
Raw materials and consumables used	**118,065**	109,910
Other expenses	**97,552**	89,819
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**399,466**	380,212

9 FINANCE COSTS

	2012 US$'000	2011 US$'000
Interest on bank loans and overdrafts	**295**	807
Interest element of finance lease payments	**44**	24
	339	831

10 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the rate of 25% (2011: 25%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2012 US$'000	2011 US$'000
Hong Kong taxation		
Current year	**1,687**	1,522
Over provision in prior years	**—**	(3)
Malaysian taxation		
Current year	**17,712**	14,510
Under/(over) provision in prior years	**39**	(599)
Other countries' taxation		
Current year	**471**	1,602
Under/(over) provision in prior years	**3**	(37)
Deferred income tax expense *(note 20)*	**660**	1,427
	20,572	18,422

10 INCOME TAX EXPENSE *(Continued)*

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

	2012 **US$'000**	2011 US$'000
Profit before income tax	**84,915**	74,207
Tax calculated at domestic tax rates applicable to profits in the respective countries	**20,453**	18,221
Income not subject to tax	**(197)**	(189)
Expenses not deductible for tax purposes	**842**	2,174
Unrecognised tax losses	**475**	—
Utilisation of previously unrecognised tax losses	**(521)**	(509)
Temporary differences not recognised	**90**	233
Utilisation of current year's reinvestment allowance	**(392)**	(2,055)
Utilisation of group tax relief	**—**	(369)
Under/(over) provision in prior years — current tax	**42**	(639)
Deferred tax assets unrecognised during the year	**658**	1,442
Recognition of deferred tax assets arising from previously unrecognised tax losses	**(812)**	(46)
(Over)/under provision in prior years — deferred tax	**(66)**	159
Income tax expense	**20,572**	18,422

The weighted average applicable tax rate for the year was 24% (2011: 25%).

11 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company was dealt with in the financial statements of the Company to the extent of US$38,510,000 (2011: profit of US$26,003,000).

12 EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares repurchased by the Company.

	2012	2011
Profit attributable to equity holders of the Company (US$'000)	**63,209**	54,825
Weighted average number of ordinary shares in issue	**1,686,608,949**	1,683,914,726
Basic earnings per share (US cents)	**3.75**	3.26

12 EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY *(Continued)*

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, which 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.

	2012	2011
Profit attributable to equity holders of the Company (US$'000)	**63,209**	54,825
Weighted average number of ordinary shares in issue	**1,686,608,949**	1,683,914,726
Adjustment for share options	**363,463**	641,295
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,686,972,412**	1,684,556,021
Diluted earnings per share (US cents)	**3.75**	3.25

13 DIVIDENDS

	2012 **US$'000**	2011 US$'000
Dividends attributable to the year:		
Special, paid, US0.400 cents (2010–2011: Nil) per ordinary share *(note (a))*	**6,749**	—
First interim, paid, US0.800 cents (2010–2011: US0.800 cents) per ordinary share *(note (b))*	**13,498**	13,471
Second interim, declared after the end of the reporting period, US1.448 cents (2010–2011: US1.153 cents) per ordinary share *(note (c))*	**24,431**	19,437
	44,678	32,908
Dividends paid during the year:		
Second interim, 2010–2011, US1.153 cents (2009–2010: US0.771 cents) per ordinary share *(note (d))*	**19,437**	12,983
Special, 2011–2012, US0.400 cents (2010–2011: Nil) per ordinary share	**6,749**	—
First interim, 2011–2012, US0.800 cents (2010–2011: US0.800 cents) per ordinary share	**13,498**	13,471
	39,684	26,454

The aggregate amounts of the dividends paid and proposed for the years ended 31 March 2012 and 2011 have been disclosed in the consolidated income statement in accordance with the Hong Kong Companies Ordinance.

13 DIVIDENDS *(Continued)*

Notes:

(a) The special dividend of US0.400 cents (2010–2011: Nil) per ordinary share amounting to US$6,749,000 was paid on 6 October 2011.

(b) The first interim dividend of US0.800 cents (2010–2011: US0.800 cents) per ordinary share amounting to US$13,498,000 was paid on 30 December 2011.

(c) On 30 May 2012, the Board of Directors has declared a second interim dividend of US1.448 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2012. The dividend will be payable on 27 June 2012 in cash in RM or in HK$ at exchange rates determined on 30 May 2012 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 14 June 2012. 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 30 May 2012 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	3.1595	4.575 sen
US$ to HK$	7.7634	HK11.241 cents

(d) The 2010–2011 second interim dividend of US1.153 cents per ordinary share was paid on 2 August 2011.

14 EMPLOYEE BENEFIT EXPENSE

	2012 US$'000	2011 US$'000
Wages and salaries	**81,367**	79,113
Unutilised annual leave	**135**	63
Share compensation costs on share options granted by a listed subsidiary	**—**	14
Pension costs — defined contribution plans	**7,422**	6,589
Pension income — defined benefit plans *(note 35(b))*	**(68)**	(39)
Long service payments *(note 31(b))*	**124**	35
Other staff costs	**18,244**	19,414
	107,224	105,189

15 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Details of directors' emoluments for the years ended 31 March 2012 and 2011 are set out below:

Name of Director	Fees US$'000	Salaries, allowances and benefits in kind US$'000	Bonuses US$'000	Employer's contributions to pension schemes US$'000	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	**359**	**—**	**65**	**—**	**—**	**424**
Mr TIONG Kiu King *(note 1)*	**29**	**—**	**—**	**—**	**—**	**29**
Dato' Sri Dr TIONG Ik King	**21**	**—**	**—**	**—**	**—**	**21**
Mr TIONG Kiew Chiong	**15**	**293**	**166**	**15**	**—**	**489**
Mr NG Chek Yong *(note 2)*	**—**	**17**	**3**	**3**	**—**	**23**
Ms SIEW Nyoke Chow	**—**	**212**	**70**	**42**	**—**	**324**
Ms SIM Sai Hoon *(note 3)*	**—**	**95**	**29**	**16**	**—**	**140**
Non-executive directors						
Mr LEONG Chew Meng	**22**	**2**	**—**	**—**	**—**	**24**
Ms SIM Sai Hoon *(note 3)*	**11**	**1**	**—**	**—**	**—**	**12**
Independent non-executive directors						
Mr David YU Hon To *(note 4)*	**49**	**—**	**—**	**—**	**—**	**49**
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	**25**	**3**	**—**	**—**	**—**	**28**
Tan Sri Dato' LAU Yin Pin	**25**	**3**	**—**	**—**	**—**	**28**
Total for the year ended 31 March 2012	**556**	**626**	**333**	**76**	**—**	**1,591**
Executive directors						
Tan Sri Datuk Sir TIONG Hiew King	350	—	64	—	2	416
Mr TIONG Kiu King	21	—	—	—	2	23
Dato' Sri Dr TIONG Ik King	21	—	—	—	1	22
Mr TIONG Kiew Chiong	—	291	73	15	2	381
Ms SIEW Nyoke Chow	—	198	57	38	—	293
Ms SIM Sai Hoon	—	176	48	31	—	255
Non-executive director						
Mr LEONG Chew Meng	22	1	—	—	—	23
Independent non-executive directors						
Mr David YU Hon To *(note 4)*	48	1	—	—	—	49
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	24	1	—	—	—	25
Tan Sri Dato' LAU Yin Pin	24	1	—	—	—	25
Total for the year ended 31 March 2011	510	669	242	84	7	1,512

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

(a) Details of directors' emoluments for the years ended 31 March 2012 and 2011 are set out below: *(Continued)*

Notes:

1 Mr TIONG Kiu King passed away on 14 January 2012.

2 Mr NG Chek Yong was appointed as an executive director on 1 March 2012.

3 Ms SIM Sai Hoon was re-designated from an executive director to a non-executive director on 1 October 2011, and resigned on 1 April 2012.

4 The director's fee for Mr David YU Hon To included his fee as an independent non-executive director of OMG, a listed subsidiary of the Company, in the amount of US$22,000 (2011: US$21,000).

5 During the year, no option (2011: 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.

6 During the years ended 31 March 2012 and 2011, no option was granted to the directors under the Post-IPO Scheme of OMG.

7 No director waived any emoluments and no emoluments were paid to the directors as an inducement fee to join or as compensation for loss of office during the years ended 31 March 2012 and 2011.

(b) The five highest paid individuals during the year include two (2011: two) executive directors whose emoluments are reflected in the analysis presented above. The emoluments paid to the remaining three (2011: three) individuals during the year are as follows:

	2012	2011
	US$'000	US$'000
Basic salaries, bonuses, other allowances and benefits in kind	**1,179**	935
Contributions to pension schemes	**61**	73
Share compensation costs on share options granted by a listed subsidiary	**—**	1
	1,240	1,009

The emoluments of the three (2011: three) individuals fall within the following bands:

	Number of individuals	
	2012	2011
From US$257,136 to US$321,419 (equivalent to HK$2,000,001 to HK$2,500,000)	**—**	1
From US$321,420 to US$385,703 (equivalent to HK$2,500,001 to HK$3,000,000)	**1**	2
From US$385,704 to US$449,987 (equivalent to HK$3,000,001 to HK$3,500,000)	**1**	—
From US$449,988 to US$514,271 (equivalent to HK$3,500,001 to HK$4,000,000)	**1**	—
	3	3

16 PROPERTY, PLANT AND EQUIPMENT

	Group											
	Other properties											
	Freehold land and buildings outside Hong Kong US$'000	Leasehold land held on long-term leases outside Hong Kong US$'000	Buildings held on long-term leases outside Hong Kong US$'000	Leasehold land held on medium-term leases in Hong Kong US$'000	Buildings held on medium-term leases in Hong Kong US$'000	Leasehold land held on medium-term leases outside Hong Kong US$'000	Buildings held on medium-term leases outside Hong Kong US$'000	Leasehold improvements, furniture, fixtures and office equipment US$'000	Machinery and printing equipment US$'000	Motor vehicles US$'000	Construction-in-progress US$'000	Total US$'000
At 31 March 2010												
Cost	25,678	8,651	15,189	15,362	8,776	11,192	15,369	35,227	105,880	2,783	426	244,533
Accumulated depreciation	(1,420)	(1,093)	(3,369)	(4,909)	(3,365)	(715)	(2,876)	(27,932)	(57,359)	(1,533)	—	(104,571)
Net book value	24,258	7,558	11,820	10,453	5,411	10,477	12,493	7,295	48,521	1,250	426	139,962
Year ended 31 March 2011												
Opening net book value	24,258	7,558	11,820	10,453	5,411	10,477	12,493	7,295	48,521	1,250	426	139,962
Additions	5	—	3	—	—	—	455	11,112	7,462	97	54	19,188
Exchange adjustments	1,767	580	883	(24)	(11)	812	879	889	3,501	74	62	9,412
Reclassifications	—	—	—	—	—	—	37	(5,631)	5,904	—	(310)	—
Transferred to intangible assets	—	—	—	—	—	—	—	—	—	—	(109)	(109)
Transferred to investment properties	—	(1,525)	—	—	—	—	—	—	—	—	—	(1,525)
Disposals	—	—	—	—	—	—	—	(55)	(50)	(9)	—	(114)
Depreciation *(note (c))*	(327)	(144)	(681)	(280)	(244)	(245)	(753)	(2,405)	(4,169)	(421)	—	(9,669)
Closing net book value	25,703	6,469	12,025	10,149	5,156	11,044	13,111	11,205	61,169	991	123	157,145
At 31 March 2011												
Cost	27,549	7,498	16,362	15,326	8,755	12,069	16,957	41,679	125,454	3,024	123	274,796
Accumulated depreciation	(1,846)	(1,029)	(4,337)	(5,177)	(3,599)	(1,025)	(3,846)	(30,474)	(64,285)	(2,033)	—	(117,651)
Net book value	25,703	6,469	12,025	10,149	5,156	11,044	13,111	11,205	61,169	991	123	157,145
Year ended 31 March 2012												
Opening net book value	25,703	6,469	12,025	10,149	5,156	11,044	13,111	11,205	61,169	991	123	157,145
Additions	261	—	1	—	—	86	13	4,858	1,048	637	296	7,200
Exchange adjustments	(349)	(83)	(149)	22	14	(140)	(160)	(104)	(731)	(8)	(1)	(1,689)
Reclassifications	—	—	—	—	—	—	1,063	(3,754)	2,734	—	(43)	—
Transferred to intangible assets	—	—	—	—	—	—	—	(225)	—	—	(73)	(298)
Disposals	—	—	—	—	—	—	(100)	(46)	(53)	(66)	—	(265)
Depreciation *(note (c))*	(336)	(122)	(700)	(279)	(244)	(251)	(796)	(2,296)	(5,617)	(403)	—	(11,044)
Closing net book value	25,279	6,264	11,177	9,892	4,926	10,739	13,131	9,638	58,550	1,151	302	151,049
At 31 March 2012												
Cost	27,424	7,401	16,158	15,363	8,777	12,002	17,694	39,963	127,461	3,119	302	275,664
Accumulated depreciation	(2,145)	(1,137)	(4,981)	(5,471)	(3,851)	(1,263)	(4,563)	(30,325)	(68,911)	(1,968)	—	(124,615)
Net book value	25,279	6,264	11,177	9,892	4,926	10,739	13,131	9,638	58,550	1,151	302	151,049

16 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Notes:

(a) The carrying amounts of machines and motor vehicles purchased under finance leases during the year are nil (2011: US$1,096,000 and US$42,000).

(b) Certain property, plant and equipment were pledged as collateral for the Group's banking facilities. The details are set out in note 37 to the financial statements.

(c) Depreciation expense of US$5,617,000 (2011: US$4,173,000) was included in cost of goods sold and US$5,427,000 (2011: US$5,496,000) was charged in other operating expenses.

17 INVESTMENT PROPERTIES

	Group	
	2012	2011
	US$'000	US$'000
At 1 April	**11,428**	8,686
Transferred from property, plant and equipment	**—**	2,162
Net gain/(loss) from fair value adjustments	**118**	(7)
Disposals	**(187)**	(96)
Exchange adjustments	**(147)**	683
At 31 March	**11,212**	11,428

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

	Group	
	2012	2011
	US$'000	US$'000
In Malaysia, held on:		
Freehold	**5,515**	5,792
Leases of over 50 years	**5,697**	5,636
	11,212	11,428

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	
	2012	2011
	US$'000	US$'000
Rental income	**915**	724
Direct operating expenses arising from investment properties that generate rental income	**(55)**	(68)
	860	656

17 INVESTMENT PROPERTIES *(Continued)*

At 31 March 2012, the Group has future aggregate minimum rental receivables under non-cancellable operating leases as follows:

	Group	
	2012	2011
	US$'000	US$'000
No later than one year	**629**	271
Later than one year and no later than five years	**542**	755
Later than five years	**254**	—
	1,425	1,026

Particulars of the Group's investment properties as at 31 March 2012 are as follows:

	Location	Tenure/ Expiry of lease	Uses	US$'000
1	V5-09-05, Block 5, Sri Palma Villa, Jalan KL-Seremban, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan Darul Khusus, Malaysia	Freehold	Residential building (1 unit of service apartment)	33
2	PT12917 HS(D) 103390 (Ground Floor) Putra Indah A, Putra Nilai, 71800 Nilai, Negeri Sembilan Darul Khusus, Malaysia	Freehold	Commercial building	85
3	Lot 25, Rawang Integrated Industrial Park, Jalan Batu Arang, 48000 Rawang, Selangor Darul Ehsan, Malaysia	Freehold	Office building and single storey factory building	5,397
4	No. 76 Jalan University, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold / 2063	Office building	3,590
5	59-1-2, Jalan TMR 2, Taman Melaka Raya, 75000 Melaka, Malaysia	Leasehold / 2094	Commercial building	166
6	AR09-F3A0, Ara Ria 09, Jalan UTL 9, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan Darul Khusus, Malaysia	Leasehold / 2099	Residential building	26
7	No. 3, Lorong Kilang F, Kelombong, 88450 Kota Kinabalu, Sabah, Malaysia	Leasehold / 2920	Office building	1,915
				11,212

18 LEASEHOLD LAND AND LAND USE RIGHTS

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

	Group	
	2012	2011
	US$'000	US$'000
In Mainland China, held on:		
Leases of between 10 and 50 years	**1,538**	1,584
Leases of over 50 years	**487**	495
	2,025	2,079

	Group	
	2012	2011
	US$'000	US$'000
Cost		
At 1 April	**3,120**	3,127
Exchange adjustments	**8**	(7)
At 31 March	**3,128**	3,120
Accumulated amortisation		
At 1 April	**1,041**	983
Amortisation of prepaid operating lease payments	**60**	60
Exchange adjustments	**2**	(2)
At 31 March	**1,103**	1,041
Net book value		
At 31 March	**2,025**	2,079

19 INTANGIBLE ASSETS

	Group				
	Archives, mastheads and publishing rights US$'000	Computer softwares US$'000	Sub-total US$'000	Goodwill US$'000 *(note (b))*	Total US$'000
Year ended 31 March 2011					
Opening net book value	14,798	1,595	16,393	61,073	77,466
Additions	—	738	738	—	738
Transferred from property, plant and equipment	—	109	109	—	109
Amortisation expense *(note (a))*	(407)	(494)	(901)	—	(901)
Impairment charge *(note 8)*	—	—	—	(4,132)	(4,132)
Disposals	—	(1)	(1)	—	(1)
Exchange adjustments	1,144	101	1,245	4,776	6,021
Closing net book value	15,535	2,048	17,583	61,717	79,300
At 31 March 2011					
Cost	27,609	3,656	31,265	69,146	100,411
Accumulated amortisation and impairment	(12,074)	(1,608)	(13,682)	(7,429)	(21,111)
Net book value	15,535	2,048	17,583	61,717	79,300
Year ended 31 March 2012					
Opening net book value	**15,535**	**2,048**	**17,583**	**61,717**	**79,300**
Additions	**—**	**586**	**586**	**—**	**586**
Transferred from property, plant and equipment	**—**	**298**	**298**	**—**	**298**
Amortisation expense *(note (a))*	**(408)**	**(648)**	**(1,056)**	**—**	**(1,056)**
Exchange adjustments	**(200)**	**(31)**	**(231)**	**(773)**	**(1,004)**
Closing net book value	**14,927**	**2,253**	**17,180**	**60,944**	**78,124**
At 31 March 2012					
Cost	**27,338**	**4,492**	**31,830**	**68,328**	**100,158**
Accumulated amortisation and impairment	**(12,411)**	**(2,239)**	**(14,650)**	**(7,384)**	**(22,034)**
Net book value	**14,927**	**2,253**	**17,180**	**60,944**	**78,124**

19 INTANGIBLE ASSETS *(Continued)*

Notes:

(a) Amortisation expense of US$1,056,000 (2011: US$901,000) is included in other operating expenses in the consolidated income statement.

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

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

	Group	
	2012	2011
	US$'000	US$'000
Guang-Ming Ribao Sdn Bhd *(note (i))*	**8,982**	9,098
Mulu Press Sdn Bhd *(note (i))*	**592**	600
Sinchew-i Sdn Bhd *(note (i))*	**46**	47
Subsidiaries in Mainland China *(note (ii))*	**342**	330
Sin Chew Media Corporation Berhad *(note (iii))*	**50,982**	51,642
	60,944	61,717

The recoverable amount of each of these CGUs has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated without considering any growth rate. Management determined budgeted gross margin based on past performance and its expectations for market development. The growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

Key assumptions used for the value-in-use calculations:

	Average growth rate in revenue 2012	**Pre-tax discount rate 2012**
Goodwill of Guang-Ming Ribao Sdn Bhd *(note (i))*	**0%**	**10.6%**
Goodwill of Mulu Press Sdn Bhd *(note (i))*	**1%**	**10.6%**
Goodwill of Sinchew-i Sdn Bhd *(note (i))*	**0%**	**10.6%**
Goodwill of subsidiaries in Mainland China *(note (ii))*	**8%**	**10.0%**
Goodwill of Sin Chew Media Corporation Berhad *(note (iii))*	**4%**	**10.6%**

The value-in-use calculations for all the CGUs are sensitive to these key assumptions, which included discount rates, raw materials price inflation and market share during the five-year period.

With regard to the assessment of the value-in-use, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to materially exceed their respective recoverable amount, except as mentioned in note (i) below.

(i) Arose from the acquisition of Guang-Ming Ribao Sdn Bhd, Mulu Press Sdn Bhd and Sinchew-i Sdn Bhd by Sin Chew Media Corporation Berhad ("Sin Chew") in 2004. During the year ended 31 March 2011, the goodwill of Guang-Ming Ribao Sdn Bhd was impaired by US$4,132,000 as the annual assessment performed indicated that the carrying value of the goodwill exceeded its recoverable amount. This was primarily attributable to the challenging business conditions faced by this subsidiary. The impairment charge was included in other operating expenses in the consolidated income statement.

(ii) Arose 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 non-controlling shareholders. The purchase resulted in the Company recording a goodwill of US$49,018,000 as at 31 March 2008. At 31 March 2012, the goodwill amounted to US$50,982,000 after an exchange adjustment of US$660,000 during the year (2011: US$51,642,000).

Management has assessed that, amongst all assumptions used in the value-in-use calculations, the most sensitive key assumption is the discount rate which was arrived at based on weighted average cost of capital. The discount rate applied in determining the recoverable amounts of the CGUs was 10.6% (2011: 10.6%). As absolute change in the discount rate of 1% (2011: 1%) would result in approximately US$19,455,000 (2011: US$ 26,134,000) change in the recoverable amount of Sin Chew, whereas the absolute change in the discount rate of 1% (2011: 1%) would result in approximately US$2,093,000 (2011: US$749,000) change in the recoverable amount of Guang-Ming Ribao Sdn Bhd.

20 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

	Group 2012 US$'000	2011 US$'000
Deferred income tax assets:		
to be recovered within 12 months	**(730)**	(236)
to be recovered after 12 months	**(696)**	(736)
	(1,426)	(972)
Deferred income tax liabilities:		
to be realised within 12 months	**765**	378
to be realised after 12 months	**13,787**	13,168
	14,552	13,546
Deferred tax liabilities — net	**13,126**	12,574

The net movements on deferred income tax account are as follows:

	Group 2012 US$'000	2011 US$'000
At 1 April	**12,574**	10,543
Charged to the consolidated income statement *(note 10)*	**660**	1,427
Credited directly to equity	**—**	(62)
Exchange adjustments	**(108)**	666
At 31 March	**13,126**	12,574

20 DEFERRED INCOME TAX *(Continued)*

The components of deferred income tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements (prior to offsetting of the balances within the same tax jurisdiction) during the year are as follows:

	Group						
	Accelerated tax depreciation US$'000	Provision for impairment of trade receivables US$'000	Provision for employee benefits and other liabilities US$'000	Decelerated tax depreciation US$'000	Tax losses US$'000	Revaluation on other properties US$'000	Total US$'000
At 1 April 2010	12,626	(130)	(1,440)	(465)	(2,138)	2,090	10,543
Charged/(credited) to the consolidated income statement	1,249	3	(701)	26	722	128	1,427
Credited directly to equity	—	—	—	—	—	(62)	(62)
Exchange adjustments	912	(8)	(197)	(35)	(20)	14	666
At 31 March 2011	14,787	(135)	(2,338)	(474)	(1,436)	2,170	12,574
At 1 April 2011	**14,787**	**(135)**	**(2,338)**	**(474)**	**(1,436)**	**2,170**	**12,574**
Charged/(credited) to the consolidated income statement	**531**	**(304)**	**572**	**(46)**	**39**	**(132)**	**660**
Exchange adjustments	**(157)**	**2**	**32**	**9**	**8**	**(2)**	**(108)**
At 31 March 2012	**15,161**	**(437)**	**(1,734)**	**(511)**	**(1,389)**	**2,036**	**13,126**

Deferred income tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of US$73,184,000 (2011: US$73,563,000) to carry forward against future taxable income. Losses amounting to US$7,023,000 (2011: US$1,740,000) will expire within five years. Losses amounting to US$35,136,000 (2011: US$39,064,000) will expire between six and twenty years. The remaining tax losses amounting to US$31,025,000 (2011: US$32,759,000) can be carried forward indefinitely.

21 INTERESTS IN ASSOCIATES

	Group 2012 US$'000	2011 US$'000
At 1 April	**2,379**	2,739
Acquisition of an associate *(note (b))*	**129**	—
Share of losses (including amortisation of trademark and customer list)	**(294)**	(354)
Gain on dilution of interest *(note (d))*	**33**	—
Exchange adjustments	**6**	(6)
At 31 March	**2,253**	2,379

Notes:

(a) Particulars of the Group's associates are as follows:

Name of associate	Place of incorporation	% interest held	Principal activities
ByRead Inc.	The Cayman Islands	24.97%	*Note (ii)*
Blackpaper Limited	Hong Kong	10%	*Note (iii)*

Notes:

(i) All the above investments in associates are owned by OMG, a listed subsidiary of the Company owned as to 73.18% at the date of this report.

(ii) ByRead Inc. is engaged in investment holding and the principal activities of its subsidiaries include provision of mobile value-added services such as entertainment, learning and multimedia applications for individuals and enterprises in Mainland China.

(iii) Blackpaper Limited is engaged in providing creative multimedia services and advertising campaigns.

(b) During the year ended 31 March 2012, the Group, through its subsidiary, subscribed for 10% of the issued share capital as enlarged by the subscription of Blackpaper Limited at a consideration of HK$1,000,000. Although the Group holds less than 20% of the equity shares of this company, the Group exercises significant influence by virtue of its contractual right to nominate and remove one director to the board of directors of this company with four members and all directors have equal voting rights. The Group has the power to participate in the financial and operating policy decisions of this company.

(c) As at 31 March 2012, interests in ByRead Inc. included goodwill of US$1,751,000 (2011: US$1,751,000), trademark of US$810,000 (2011: US$856,000) and customer list of US$48,000 (2011: US$67,000) have been identified from the acquisition. The useful lives for trademark and customer list are 30 years and 5 years respectively.

(d) The Group's shareholding in ByRead Inc. was diluted from 25.44% to 24.97% following the acquisition and subscription of ByRead Inc.'s shares by a new independent third party investor during the year.

(e) The Group's share of results of the associates and their aggregated assets and liabilities (excluding goodwill) at gross amounts are as follows:

	Assets US$'000	Liabilities US$'000	Revenues US$'000	Losses US$'000
Year ended 31 March 2012	**125**	**(45)**	**88**	**(245)**
Year ended 31 March 2011	243	(8)	94	(308)

22 INVESTMENT IN CONVERTIBLE NOTES/FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2012	2011
	US$'000	US$'000
Investment in convertible notes — debt portion *(note (b))*	**568**	537
Financial assets at fair value through profit or loss:		
Listed equity securities in Hong Kong, at market value *(note (a))*	**191**	213
Investment in convertible notes — conversion portion *(note (b))*	**—**	—
	191	213

Notes:

(a) The listed equity securities purchased were designated as financial assets at fair value through profit or loss at inception. The fair values of the listed equity securities were based on their current bid prices in an active market. Fair value losses on the listed equity securities at 31 March 2012 of US$22,000 (2011: gains of US$30,000) were included under other gains, net in the consolidated income statement.

(b) The convertible notes (the "CN") were held by MediaNet Investment Limited ("MIL"), a wholly-owned subsidiary of the Group.

On 17 August 2009, MIL entered into an agreement to subscribe for the CN of an aggregate principal amount of approximately US$580,000 (equivalent to HK$4,500,000) issued by IATOPIA.COM LIMITED ("IATOPIA") in three stages which would allow MIL to convert the principal amount of the CN into, in aggregate, no more than 8.84% of the issued ordinary shares of IATOPIA over a three-year period. On 17 August 2009, the first tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$290,000 (equivalent to HK$2,250,000). On 22 October 2009, the second tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$145,000 (equivalent to HK$1,125,000). On 22 February 2010, the third tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$145,000 (equivalent to HK$1,125,000). The CN were non-interest bearing and would mature on 16 August 2012 ("maturity date").

Each CN would, at any time and from time to time, on or prior to the maturity date, be convertible, at the option of the holder into ordinary shares of IATOPIA, at a pre-determined conversion price subject to a potential 'reset' with reference to the amount of profit of IATOPIA for the preceding financial year. On the maturity date, IATOPIA would repay the unconverted portion of the principal amount of the CN to MIL in cash.

The debt portion of the CN was classified as loans and receivables and stated at amortised cost. The conversion portion of the CN was classified as financial assets at fair value through profit or loss and stated at fair value with any changes in fair value recognised in the consolidated income statement.

(c) Subsequent to 31 March 2012, the Group disposed all the CN to an independent third party at a consideration of US$1,694,000 (equivalent to HK$13,150,000).

23 INTERESTS IN SUBSIDIARIES

	Company	
	2012	2011
	US$'000	US$'000
Unlisted shares, at cost	**466,667**	466,667
Less: provision for impairment	**(36,126)**	(36,126)
	430,541	430,541

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

24 FINANCIAL INSTRUMENTS BY CATEGORY

	Group				Company
	Loans and receivables US$'000	Assets at fair value through profit or loss US$'000	Available-for-sale US$'000	Total US$'000	Loans and receivables US$'000
Assets					
At 31 March 2012					
Available-for-sale financial assets *(note 26)*	**—**	**—**	**97**	**97**	**—**
Investment in convertible notes — debt portion *(note 22)*	**568**	**—**	**—**	**568**	**—**
Trade receivables, deposits and other receivables excluding prepayments	**69,477**	**—**	**—**	**69,477**	**52**
Listed equity securities *(note 22)*	**—**	**191**	**—**	**191**	**—**
Cash and cash equivalents *(note 28)*	**134,657**	**—**	**—**	**134,657**	**56**
Total	**204,702**	**191**	**97**	**204,990**	**108**
At 31 March 2011					
Available-for-sale financial assets *(note 26)*	—	—	97	97	—
Investment in convertible notes — debt portion *(note 22)*	537	—	—	537	—
Trade receivables, deposits and other receivables excluding prepayments	64,336	—	—	64,336	50
Listed equity securities *(note 22)*	—	213	—	213	—
Cash and cash equivalents *(note 28)*	110,519	—	—	110,519	62
Total	175,392	213	97	175,702	112

	Financial liabilities at amortised cost			
	Group		Company	
	2012 US$'000	2011 US$'000	**2012 US$'000**	2011 US$'000
Liabilities				
Short-term bank loans *(note 30)*	**5,285**	14,865	**—**	—
Obligations under finance leases *(note 31)*	**—**	724	**—**	—
Trade and other payables	**48,197**	45,933	**1,575**	1,571
Amounts due to subsidiaries *(note 29)*	**—**	—	**3,960**	3,367
Total	**53,482**	61,522	**5,535**	4,938

25 INVENTORIES

	Group	
	2012	2011
	US$'000	US$'000
Raw materials	**56,731**	68,092
Finished goods	**1,168**	1,061
	57,899	69,153

Raw materials and consumables recognised as expenses and included in cost of goods sold amounted to US$118,065,000 (2011: US$109,910,000).

26 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2012	2011
	US$'000	US$'000
At 1 April	**97**	644
Exchange adjustment	**—**	(1)
Less: provision for impairment	**—**	(546)
At 31 March	**97**	97

Available-for-sale financial assets comprise unlisted club debentures.

During the year ended 31 March 2012, no impairment or reversal of impairment was provided or credited for the available-for-sale financial assets. Impairment loss on unlisted available-for-sale financial asset of US$546,000 was recognised in the consolidated income statement during the year ended 31 March 2011.

Available-for-sale financial assets are denominated in the following currency:

	Group	
	2012	2011
	US$'000	US$'000
HK dollar	**97**	97

At 31 March 2012, the carrying amounts of the available-for-sale financial assets approximated their fair value.

The maximum exposure to credit risk as at 31 March 2012 was the carrying amounts of the available-for-sale financial assets.

27 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012	2011	**2012**	2011
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables	**66,638**	63,258	**—**	—
Less: provision for impairment of trade receivables	**(2,806)**	(3,082)	**—**	—
Trade receivables, net *(note (a))*	**63,832**	60,176	**—**	—
Deposits and prepayments *(note (b))*	**8,622**	5,650	**52**	50
Other receivables *(note (b))*	**3,686**	3,085	**—**	—
	76,140	68,911	**52**	50

At 31 March 2012, the carrying amounts of trade and other receivables approximated their fair values.

Notes:

(a) The Group allows in general a credit period ranging from 7 days to 120 days to its trade customers.

At 31 March 2012, the ageing analysis of the Group's net trade receivables based on invoice date is as follows:

	Group	
	2012	2011
	US$'000	US$'000
0 to 60 days	**44,711**	43,487
61 to 120 days	**15,241**	13,430
121 to 180 days	**2,756**	2,496
Over 180 days	**1,124**	763
	63,832	60,176

The carrying amounts of the Group's net trade receivables are denominated in the following currencies:

	Group	
	2012	2011
	US$'000	US$'000
Ringgit Malaysia	**40,223**	40,914
HK dollar	**15,115**	11,156
Canadian dollar	**5,218**	4,863
Renminbi	**2,189**	2,066
US dollar	**857**	923
Other currencies	**230**	254
	63,832	60,176

27 TRADE AND OTHER RECEIVABLES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The Group has trade receivables from customers engaged in various industries and who are not concentrated in any specific geographical area. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers 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 2012, trade receivables that were neither past due nor impaired amounted to US$41,301,000 (2011: US$39,885,000), which represented about 65% (2011: 66%) of the net trade receivables balance. These balances related to a wide range of customers for whom there was no recent history of default.

At 31 March 2012, the ageing analysis of net trade receivables that were past due but not impaired is as follows:

	Group	
	2012	2011
	US$'000	US$'000
Overdue by:		
0 to 60 days	**18,633**	16,586
61 to 120 days	**2,640**	2,559
121 to 180 days	**572**	566
Over 180 days	**686**	580
	22,531	20,291

During the year ended 31 March 2012, the Group has recognised a net loss of US$147,000 (2011: US$252,000) for the impairment of its trade receivables and directly written off an amount of US$58,000 (2011: US$92,000) as bad debts. The loss is included in selling and distribution expenses in the consolidated income statement.

Movements in the provision for impairment of trade receivables are as follows:

	Group	
	2012	2011
	US$'000	US$'000
At 1 April	**3,082**	3,871
Provision for impairment of receivables	**1,337**	1,499
Receivables written off as uncollectible	**(395)**	(1,203)
Unused amounts reversed	**(1,190)**	(1,247)
Exchange adjustments	**(28)**	162
At 31 March	**2,806**	3,082

The creation and release of provision for impairment of receivables have been included in selling and distribution expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

27 TRADE AND OTHER RECEIVABLES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying amounts of trade and other receivables.

Certain trade receivables amounting to US$12,401,000 (2011: US$11,310,000) were secured by deposits and bank guarantees provided by the customers.

(b) The deposits, prepayments and other receivables were neither past due nor impaired.

28 CASH AND CASH EQUIVALENTS

	Group		**Company**	
	2012	2011	**2012**	2011
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank and on hand	**36,943**	34,681	**56**	62
Short-term bank deposits	**97,714**	75,838	**—**	—
Cash and cash equivalents	**134,657**	110,519	**56**	62

The effective interest rates on short-term bank deposits ranged from 1.36% to 3.51% per annum during the year ended 31 March 2012 (2011: 0.5% to 2.9%); the maturity dates of these deposits ranged from 7 to 365 days (2011: 2 to 53 days).

29 TRADE AND OTHER PAYABLES

	Group		**Company**	
	2012	2011	**2012**	2011
	US$'000	US$'000	**US$'000**	US$'000
Trade payables *(note (a))*	**23,271**	20,108	**—**	—
Accrued charges and other payables	**31,627**	35,310	**1,575**	1,571
Receipts in advance	**15,725**	13,398	**—**	—
Amounts due to subsidiaries *(note (b))*	**—**	—	**3,960**	3,367
	70,623	68,816	**5,535**	4,938

At 31 March 2012, the carrying amounts of trade and other payables approximated their fair values.

29 TRADE AND OTHER PAYABLES *(Continued)*

Notes:

(a) At 31 March 2012, the ageing analysis of the Group's trade payables based on invoice date is as follows:

	Group	
	2012	2011
	US$'000	US$'000
0 to 60 days	**20,628**	16,176
61 to 120 days	**1,928**	2,577
121 to 180 days	**239**	260
Over 180 days	**476**	1,095
	23,271	20,108

(b) The amounts due to subsidiaries were unsecured, non-interest bearing and repayable on demand.

30 SHORT-TERM BANK LOANS

	Group	
	2012	2011
	US$'000	US$'000
Trust receipt loans, secured	**336**	—
Bankers' acceptances, unsecured	**2,241**	4,843
Revolving credits, unsecured	**2,708**	10,022
	5,285	14,865

The carrying amounts of the short-term bank loans are denominated in the following currencies:

	Group	
	2012	2011
	US$'000	US$'000
Ringgit Malaysia	**4,949**	14,865
US dollar	**336**	—
	5,285	14,865

Trust receipt loans were secured by the guarantee issued by the Company and have a term of up to 120 days. The effective interest rate on the trust receipt loans was 1.92% per annum during the year ended 31 March 2012 (2011: 2.02%).

The bankers' acceptances were unsecured, interest-bearing at a rate of 0.5% above the bankers' annual costs of funds. The effective interest rate on the bankers' acceptances was 3.71% per annum during the year ended 31 March 2012 (2011: 3.52%).

The revolving credits were unsecured, interest-bearing at rates ranging from 0.5% to 1% above the KLIBOR per annum. The effective interest rate on the revolving credits was 3.85% per annum during the year ended 31 March 2012 (2011: 3.78%).

At 31 March 2012, the carrying amounts of the short-term bank loans approximated their fair values.

31 OTHER LONG-TERM LIABILITIES

	Group 2012 US$'000	Group 2011 US$'000
Obligations under finance leases *(note (a))*	—	724
Retirement benefit obligations *(note (b))*	**1,103**	994
Defined benefit plan liabilities *(note 35)*	**390**	—
	1,493	1,718
Current portion of long-term liabilities	**(145)**	(451)
	1,348	1,267

Notes:

(a) The obligations under finance leases were fully repaid during the year. At 31 March 2011, the Group's finance lease liabilities were repayable as follows:

	Group 2012 US$'000	Group 2011 US$'000
Finance lease liabilities minimum lease payment		
Within one year	—	375
In the second year	—	349
In the third to fifth year	—	46
	—	770
Future finance charges on finance leases	—	(46)
Present value of finance lease liabilities	—	724

The present value of finance lease liabilities was repayable as follows:

	Group 2012 US$'000	Group 2011 US$'000
Within one year	—	342
In the second year	—	336
In the third to fifth year	—	46
Present value of finance lease liabilities	—	724

31 OTHER LONG-TERM LIABILITIES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The carrying amounts of finance lease liabilities were denominated in the following currencies:

	Group 2012 US$'000	2011 US$'000
Ringgit Malaysia	—	16
Canadian dollar	—	708
	—	724

The effective interest rates on the finance lease liabilities ranged from 2.5% to 4.28% per annum during the year ended 31 March 2012 (2011: 2.5% to 4.28%).

At 31 March 2011, the carrying amounts of finance lease liabilities approximated their fair value.

(b) Retirement benefit obligations represent the present value of the Group's obligations under the following:

(i) long service payment obligations and respective actuarial (gains)/losses for its employees in Hong Kong (the "HK Scheme"); and

(ii) an unfunded defined benefit retirement benefit scheme for its eligible employees in Malaysia (the "Malaysia Scheme").

Current service costs and interest on obligations have been recognised during the year and included in employee benefit expense (note 14).

The amounts recognised in the consolidated statement of financial position are as follows:

	Group 2012 US$'000	2011 US$'000
Present value of the retirement benefit obligations	**1,103**	994

Movements in the retirement benefit obligations during the year are as follows:

	Group 2012 US$'000	2011 US$'000
At 1 April	**994**	986
Current service cost/(benefits)	**83**	(7)
Interest cost	**41**	42
Long service payments made	**(95)**	(106)
Actuarial losses of long service payment obligations	**93**	9
Exchange adjustments	**(13)**	70
At 31 March	**1,103**	994

31 OTHER LONG-TERM LIABILITIES *(Continued)*

Notes: (Continued)

(b) *(Continued)*

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	Group 2012 US$'000	2011 US$'000
Cumulative amount of actuarial gains at the beginning of the year	**714**	723
Net actuarial losses during the year	**(93)**	(9)
Cumulative amount of actuarial gains at the end of the year	**621**	714

The amounts recognised in the consolidated income statement are as follows:

	Group 2012 US$'000	2011 US$'000
Current service cost/(benefits)	**83**	(7)
Interest cost	**41**	42
Total included in employee benefit expense *(note 14)*	**124**	35

The principal actuarial assumptions used are as follows:

For obligations under the HK Scheme:

	Group 2012	2011
Average future working lifetime (in years)	**20**	19
Discount rate	**1.2%**	2.6%
Expected inflation rate	**3.0%**	3.0%
Expected rate of return on plan assets	**4.3–6.5%**	4.5%–6.8%
Expected rate of future salary increases		
2011 and onwards	**—**	3.5%
2012 and onwards	**3.5%**	—

31 OTHER LONG-TERM LIABILITIES *(Continued)*

Notes: (Continued)

(b) *(Continued)*

For obligations under the Malaysia Scheme:

	Group 2012	2011
Discount rate	**6.0%**	6.0%
Expected inflation rate	**3.5%**	3.5%
Expected rate of salary increases	**7.0%**	7.0%

	Group 2012 US$'000	2011 US$'000
At 31 March		
Present value of retirement benefit obligations	**1,103**	994
Experience gains/(losses) on long service payment obligations	**51**	(6)

32 SHARE CAPITAL AND PREMIUM

	Group and Company			
	Number of ordinary shares	**Issued share capital US$'000**	**Share premium US$'000**	**Total US$'000**
At 1 April 2010	1,683,897,241	21,672	280,160	301,832
Repurchase of ordinary shares *(note (a))*	(1,000)	—	—	—
Exercise of share options *(note (b))*	690,000	9	139	148
At 31 March 2011	1,684,586,241	21,681	280,299	301,980
Repurchase of ordinary shares *(note (a))*	(3,000)	—	(1)	(1)
Exercise of share options *(note (b))*	2,658,000	34	520	554
At 31 March 2012	**1,687,241,241**	**21,715**	**280,818**	**302,533**

Number of authorised ordinary shares is 2,500 million shares (2011: 2,500 million shares) with a par value of HK$0.10 per share. All issued shares are fully paid.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes:

(a) Details of the repurchase during the year ended 31 March 2012 are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest HK$	Lowest HK$	Aggregate purchase consideration HK$	Equivalents in US$
August 2011	3,000	2.95	2.95	8,850	1,135

Details of the repurchase during the year ended 31 March 2011 are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest HK$	Lowest HK$	Aggregate purchase consideration HK$	Equivalents in US$
August 2010	1,000	2.00	2.00	2,000	257

(b) Pursuant to a share option scheme approved at the Special General Meeting of the Company held on 21 August 2001 (the "MCI Scheme") and for the primary purpose of providing incentive to full time employees, the directors of the Company might at their discretion invite full time employees including executive directors of the Company and its subsidiaries to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Company had no legal or constructive obligation to repurchase or settle the options in cash. The MCI Scheme expired on 20 August 2011 and no new share option scheme has been adopted by the Company.

The maximum individual entitlement of options should not exceed 25% of the maximum aggregate number of shares in the capital of the Company in respect of which options might at that time be granted under the MCI Scheme. The maximum number of shares in respect of which options might be granted (together with options exercised and options then outstanding) under the MCI Scheme might not exceed 10% of the issued share capital of the Company from time to time excluding (i) any shares which were 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 would remain valid for a period of ten years commencing on 21 August 2001 after which period no further options would be offered. The offer of a grant of share option might 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 were 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 was earlier.

Pursuant to the requirements of the HK Listing Rules 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.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes: (Continued)

(b) *(Continued)*

Movements in the number of outstanding share options and their respective weighted average exercise prices are as follows:

	2012			2011		
	Weighted average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Weighted average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.602**	**0.206**	**3,288,000**	1.611	0.208	4,008,000
Exercised	**1.626**	**0.208**	**(2,658,000)**	1.671	0.214	(690,000)
Lapsed	**1.499**	**0.192**	**(630,000)**	1.320	0.170	(30,000)
At 31 March	**—**	**—**	**—**	1.602	0.206	3,288,000

Share options exercised during the year ended 31 March 2012 resulted in 2,658,000 shares being issued at an average exercise price of HK$1.626 (equivalent to US$0.208) per share.

The subsidiary of the Company, OMG, has two share option schemes. A pre-IPO share option scheme ("Pre-IPO Scheme") was approved and adopted by the 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 those of the Post-IPO Scheme (where applicable) except for the following terms: (a) the subscription price per share was the IPO and placing share price at which shares of OMG were to be sold in an offer for sale in Hong Kong on its listing date; and (b) no option will be offered or granted upon the commencement of dealings in the shares of OMG on the HK Stock Exchange.

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.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes: (Continued)

(b) *(Continued)*

Movements in the number of outstanding share options of OMG's Pre-IPO Scheme and the average exercise prices are as follows:

	2012			2011		
	Weighted average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Weighted average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.200**	**0.154**	**10,208,000**	1.200	0.155	12,156,000
Lapsed	**1.200**	**0.154**	**(1,016,000)**	1.200	0.154	(1,948,000)
At 31 March	**1.200**	**0.155**	**9,192,000**	1.200	0.154	10,208,000

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 9,192,000 share options being exercisable as at 31 March 2012 (2011: 10,208,000 share options).

The fair value of options granted under the Pre-IPO Scheme was determined using the Binomial Option valuation model and amounted to US$821,000. The significant inputs into the model were share price of HK$1.200 (equivalent to US$0.154) (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) 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 2012, no share compensation cost (2011: US$14,000) was recognised in the consolidated income statement.

During the years ended 31 March 2012 and 2011, no option has been granted or agreed to be granted under the Post-IPO Scheme.

33 OTHER RESERVES

	Group							
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Merger reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000
At 1 April 2010	183	3,026	496	(92,647)	(1,867)	(2,250)	722	(92,337)
Currency translation differences	—	23,255	—	—	—	—	—	23,255
Actuarial losses of defined benefit plan assets	—	—	—	—	—	(117)	—	(117)
Actuarial losses of long service payment obligations	—	—	—	—	—	—	(9)	(9)
Acquisition of additional interest in a listed subsidiary	—	—	—	—	722	—	—	722
Disposal of interest in a listed subsidiary without loss of control	—	—	—	—	20	—	—	20
Repurchase of ordinary shares *(note 32)*	—	—	—	—	—	—	—	—
Revaluation gain recognised upon transfer from property held for own use to investment properties	—	—	—	—	699	—	—	699
Share compensation costs on share options granted by a listed subsidiary	—	—	10	—	—	—	—	10
At 31 March 2011	183	26,281	506	(92,647)	(426)	(2,367)	713	(67,757)
At 1 April 2011	**183**	**26,281**	**506**	**(92,647)**	**(426)**	**(2,367)**	**713**	**(67,757)**
Currency translation differences	**—**	**(4,003)**	**—**	**—**	**—**	**—**	**—**	**(4,003)**
Actuarial losses of defined benefit plan assets	**—**	**—**	**—**	**—**	**—**	**(830)**	**—**	**(830)**
Actuarial losses of long service payment obligations	**—**	**—**	**—**	**—**	**—**	**—**	**(89)**	**(89)**
Repurchase of ordinary shares *(note 32)*	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
At 31 March 2012	**183**	**22,278**	**506**	**(92,647)**	**(426)**	**(3,197)**	**624**	**(72,679)**

33 OTHER RESERVES *(Continued)*

	Company			
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Contributed surplus US$'000	Total US$'000
At 1 April 2010	183	(749)	25,789	25,223
Exchange adjustments	—	(502)	—	(502)
At 31 March 2011	183	(1,251)	25,789	24,721
At 1 April 2011	**183**	**(1,251)**	**25,789**	**24,721**
Exchange adjustments	**—**	**20**	**—**	**20**
At 31 March 2012	**183**	**(1,231)**	**25,789**	**24,741**

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.

34 RETAINED EARNINGS

(a) Movements in the Group's retained earnings for the years ended 31 March 2012 and 2011 are presented in the consolidated statement of changes in equity on pages 80 and 81.

(b) Movements in the Company's retained earnings for the years ended 31 March 2012 and 2011 are as follows:

	Company	
	2012 **US$'000**	2011 US$'000
At 1 April	**99,014**	99,465
Profit for the year	**38,510**	26,003
Second interim dividend paid in respect of 2010–2011 (2011: 2009–2010)	**(19,437)**	(12,983)
Special dividend paid in respect of 2011–2012 (2011: Nil)	**(6,749)**	—
First interim dividend paid in respect of 2011–2012 (2011: 2010–2011)	**(13,498)**	(13,471)
At 31 March	**97,840**	99,014

35 DEFINED BENEFIT PLAN ASSETS/(LIABILITIES)

The Group operates a number of staff retirement schemes which include a hybrid retirement benefit scheme (the "Scheme") for its employees in Hong Kong.

(a) The Scheme has three categories of members: Regular Member, Special Member and Defined Benefit ("DB") Member

Regular Member	—	defined contribution type of benefits based on accumulated contributions and investment gains and losses thereon.
Special Member	—	benefits based on salary and service or accumulated employer's contributions with credited investment gains and losses, whichever is higher.
DB Member	—	benefits based on final salary and service only.

Regular Members and Special Members are required to contribute monthly at 5% of their basic monthly salaries to the Scheme. The accumulated members' contributions with investment gains and losses will be paid to the members upon their leaving the employment in addition to the benefits described above.

Expected Group contributions to the Scheme for the year ending 31 March 2013 are US$310,000.

(b) Defined benefit scheme for Special Member and DB Member

Pension costs are assessed using the projected unit credit method. The pension costs are charged to the consolidated income statement so as to spread the regular costs over the service lives of employees. A full valuation of the defined benefit scheme based on the projected unit credit method has been carried out by Towers Watson Hong Kong Limited, an independent qualified actuary, and the pension costs are charged to the consolidated income statement in accordance with its advice.

The amounts recognised in the consolidated statement of financial position are determined as follows:

	Group	
	2012	2011
	US$'000	US$'000
Fair value of plan assets	**4,971**	5,618
Present value of the defined benefit obligations	**(5,361)**	(5,341)
Net (liabilities)/assets in the consolidated statement of financial position	**(390)**	277

35 DEFINED BENEFIT PLAN ASSETS/(LIABILITIES) *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

Movements in the fair value of the plan assets are as follows:

	Group 2012 US$'000	Group 2011 US$'000
At 1 April	**5,618**	4,951
Group contributions paid	**95**	97
Expected return on plan assets	**382**	348
Actual benefits paid	**(156)**	—
Actuarial (losses)/gains on plan assets	**(982)**	233
Exchange adjustments	**14**	(11)
At 31 March	**4,971**	5,618

Movements in the present value of the defined benefit obligations are as follows:

	Group 2012 US$'000	Group 2011 US$'000
At 1 April	**5,341**	4,693
Current service costs	**176**	183
Interest cost	**138**	126
Actual benefits paid	**(156)**	—
Actuarial (gains)/losses on obligations	**(152)**	350
Exchange adjustments	**14**	(11)
At 31 March	**5,361**	5,341

35 DEFINED BENEFIT PLAN ASSETS/(LIABILITIES) *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

The amounts recognised in the consolidated income statement are as follows:

	Group	
	2012	2011
	US$'000	US$'000
Current service costs	**(176)**	(183)
Interest cost	**(138)**	(126)
Expected return on plan assets	**382**	348
Total pension income included in employee benefit expense *(note 14)*	**68**	39

The amounts recognised in the statement of comprehensive income are as follows:

	Group	
	2012	2011
	US$'000	US$'000
Cumulative amount of actuarial losses at the beginning of the year	**2,367**	2,250
Actuarial losses during the year	**830**	117
Cumulative amount of actuarial losses at the end of the year	**3,197**	2,367

The actual loss on plan assets was US$507,000 (2011: return US$681,000).

Movements in the net (liabilities)/assets recognised in the consolidated statement of financial position are as follows:

	Group	
	2012	2011
	US$'000	US$'000
At 1 April	**277**	258
Total pension income recognised in the consolidated income statement *(note 14)*	**68**	39
Actuarial losses recognised in the consolidated statement of comprehensive income	**(830)**	(117)
Group contributions paid	**95**	97
At 31 March	**(390)**	277

35 DEFINED BENEFIT PLAN ASSETS/(LIABILITIES) *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

The principal actuarial assumptions used are as follows:

	Group	
	2012	2011
Discount rate	**1.2%**	2.6%
Expected inflation rate	**3.0%**	3.0%
Expected rate of return on plan assets	**6.5%**	6.8%
Expected rate of future salary increases		
2011 and onwards	**—**	3.5%
2012 and onwards	**3.5%**	—

Other disclosure figures for the current and previous years are as follows:

	Group				
	2012	2011	2010	2009	2008
	US$'000	US$'000	US$'000	US$'000	US$'000
Present value of defined benefit obligations	**(5,361)**	(5,341)	(4,693)	(3,896)	(5,393)
Fair value of the plan assets	**4,971**	5,618	4,951	3,811	5,972
(Deficit)/surplus	**(390)**	277	258	(85)	579
Experience gains/(losses) on the defined benefit obligations	**582**	(405)	(1,074)	1,874	92
Experience (losses)/gains on the plan assets	**(982)**	233	984	(2,445)	(255)

The plan assets are managed by independent investment managers and are invested in unit trusts based on the long-term benchmark allocation of 65% in equities and 35% in bonds. After allowing for the administration expenses, an expected long-term rate of return of 6.5% per annum is adopted.

36 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

	Group	
	2012	2011
	US$'000	US$'000
Operating profit	**85,515**	75,392
Fair value losses on financial assets at fair value through profit or loss	**22**	10
Fair value (gains)/losses on investment properties	**(118)**	7
Depreciation of property, plant and equipment	**11,044**	9,669
Amortisation of leasehold land and land use rights	**60**	60
Amortisation of intangible assets	**1,056**	901
Provision for impairment and written off of trade receivables	**205**	344
Provision for inventory obsolescence	**102**	137
Provision for impairment of available-for-sale financial assets	**—**	546
Impairment of an intangible asset	**—**	4,132
Dividend income	**(10)**	(9)
Interest income	**(2,572)**	(1,366)
(Gains)/losses on disposal of property, plant and equipment — net	**(27)**	7
Loss on disposal of intangible assets	**—**	1
(Gain)/loss on disposal of investment properties	**(19)**	11
Share compensation costs on share options granted by a listed subsidiary	**—**	14
Pension income	**(68)**	(39)
Long service payment obligations	**124**	35
Operating profit before working capital changes	**95,314**	89,852
Changes in working capital		
Inventories	**10,275**	11,922
Trade and other receivables	**(7,748)**	1,526
Trade and other payables	**2,077**	8,394
Cash generated from operations	**99,918**	111,694

(b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	Group	
	2012	2011
	US$'000	US$'000
Property, plant and equipment — net book value *(note 16)*	**265**	114
Gains/(losses) on disposal of property, plant and equipment — net	**27**	(7)
Proceeds from disposal of property, plant and equipment	**292**	107

37 BANKING FACILITIES, PLEDGE OF ASSETS AND FINANCIAL GUARANTEES

At 31 March 2012, the Group's banking facilities were secured by the following:

(a) first legal charges on certain of the Group's freehold properties with an aggregate carrying value of US$1,226,000 at 31 March 2012 (2011: US$7,564,000) and assignment of rental income derived therefrom;

(b) general security agreements under which all the assets of certain subsidiaries with net book value of US$11,741,000 at 31 March 2012 (2011: US$11,318,000) were pledged to certain banks, including US$1,226,000 (2011: US$2,813,000) attributable to freehold properties disclosed under note (a) above; and

(c) corporate guarantees issued by the Company:

The Company issued financial guarantees in favour of certain of its subsidiaries totalling US$20,057,000 (2011: US$27,799,000) in connection with general banking facilities granted to those subsidiaries. At the end of the reporting period, total facilities utilised amounted to US$1,906,000 (2011: US$2,318,000). The directors of the Company do not consider it probable that a claim will be made against the Company under the financial guarantees. The maximum liability of the Company at 31 March 2012 under the financial guarantees was the facility drawn down by its subsidiaries. No provision was therefore made in this respect at 31 March 2012 and 2011.

38 CONTINGENCIES

There are several libel suits which involve claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings is still uncertain as of the date of these financial statements, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

39 COMMITMENTS

(a) Capital commitments

The Group's capital commitments outstanding at 31 March 2012 are as follows:

	Group	
	2012	2011
	US$'000	US$'000
Property, plant and equipment		
— Authorised and contracted for	**2,550**	2,334
— Authorised but not contracted for	**3,425**	6,057
	5,975	8,391

39 COMMITMENTS *(Continued)*

(b) Operating lease commitments

The Group leases various offices under non-cancellable operating lease agreements. The majority of these lease agreements have terms between one and five years and are renewable at the end of the lease period at market rates.

At 31 March 2012, the Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Group	
	2012	2011
	US$'000	US$'000
No later than one year	**2,042**	2,192
Later than one year and no later than five years	**985**	765
Later than five years	**15**	9
	3,042	2,966

The Company did not have any capital commitments or operating lease commitments at 31 March 2012 and 31 March 2011.

40 RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

	Group	
	2012	2011
	US$'000	US$'000
Newsprint purchases from a related company *(note)*	**42,585**	47,001
Consultancy fee paid to a non-executive director	**121**	104
Rental expenses paid to related companies *(note)*	**62**	72
Purchases of air tickets from a related company *(note)*	**28**	31
Script fees paid to a related person	**1**	2
Motor vehicle insurance premiums paid to a related company *(note)*	**1**	1
Scrap sales of old newspapers and magazines to a related company *(note)*	**(3,159)**	(2,115)
Rental income received from a related company *(note)*	**(100)**	—
Advertising service income received from a related company *(note)*	**(6)**	(1)

Note: Certain shareholders and directors of the Company are shareholders and/or directors of these related companies. All the transactions above have been entered into in the normal course of business and have been charged at predetermined rates agreed mutually by the parties involved.

40 RELATED PARTY TRANSACTIONS *(Continued)*

(b) Key management compensation

Key management comprised all members of the Group's executive committees, some of them are directors of the Company. The compensation paid or payable to key management for employee services is shown below:

	Group	
	2012	2011
	US$'000	US$'000
Directors' fees, basic salaries, bonuses, other allowances and benefits in kind	**3,021**	2,600
Contributions to pension scheme	**185**	206
Share compensation costs on share options granted by a listed subsidiary	**—**	3
	3,206	2,809

(c) Year-end balances with related parties

	Group		Company	
	2012	2011	**2012**	2011
	US$'000	US$'000	**US$'000**	US$'000
Payables to related companies of certain directors	**(3,041)**	(1,872)	**—**	—
Payables to subsidiaries	**—**	—	**(3,960)**	(3,367)

The payables to related companies of certain directors mainly arise from purchases of newsprint. The payables are unsecured, interest-free and repayable on demand.

The payables to subsidiaries mainly arise from expenses paid by the subsidiaries on behalf of the Company. The payables are unsecured, interest-free and repayable on demand.

(d) Ultimate controlling party

The ultimate controlling party of the Group is Tan Sri Datuk Sir TIONG Hiew King, who is the Group Executive Chairman and the controlling shareholder holding an aggregate interest of 52.40% in the Company as at 31 March 2012. Details of interests held by Tan Sri Datuk Sir TIONG Hiew King in the Company are set out in paragraph (b) "Interests in shares in the Company" on page 67.

41 EVENTS AFTER THE BALANCE SHEET DATE

(a) On 30 May 2012, the Board of Directors approved the acquisition of a leasehold land together with buildings thereon in Malaysia for a consideration of RM9,500,000 (equivalent to US$2,986,000) from a related company of which certain directors of the Company are shareholders and/or directors.

(b) On 29 February 2012, Ming Pao Holdings Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Top Plus Limited ("Top Plus"), a wholly-owned subsidiary of OMG, for the disposal of 10 ordinary shares of US$1.00 each in Ming Pao Finance Limited ("MPF"), representing 100% of the issued and paid-up capital of MPF, for a total consideration of HK$75,600,000 (equivalent to US$9,748,000) to Top Plus, which will be satisfied by the issuance of convertible bonds by OMG (the "Disposal"). The Disposal is expected to be completed on or before 5 June 2012.

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES

(a) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated and operate in Hong Kong are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
Charming Holidays Limited	1,000,000 ordinary shares of HK$1 each	100%	Provision of travel and travel related services
Charming Holidays (North America) Limited (formerly known as Ming Pao Holdings (North America) Limited)	2 ordinary shares of HK$1 each	100%	Investment holding
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 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
MediaNet Advertising Limited	100 ordinary shares of HK$1 each	73.18%	Media operation
MediaNet Holdings Limited	1 ordinary share of HK$1 each	100%	Digital media business
Media2U Company Limited	101 ordinary shares of HK$1 each	73.18%	Magazines advertising and operation
Mingpao.com Limited	2 ordinary shares of HK$1 each	97.78%	Internet related businesses

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(a) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated and operate in Hong Kong are as follows: *(Continued)*

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
Ming Pao Holdings Limited	900 ordinary shares of HK$1,000 each and 100 non-voting deferred shares of HK$1,000 each	100%	Investment holding and provision of management services
Ming Pao Magazines Limited	165,000 ordinary shares of HK$10 each	73.18%	Publication and distribution of magazines
Ming Pao Newspapers Limited	2 ordinary shares of HK$1 each	100%	Publication and distribution of newspaper and periodical
Ming Pao Publications Limited	10 ordinary shares of HK$1 each	100%	Publication and distribution of books
Yazhou Zhoukan Limited	9,500 ordinary shares of HK$1 each	100%	Publication and distribution of magazine

(b) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated and operate in Malaysia are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
The China Press Berhad	4,246,682 ordinary shares of RM1 each	99.75%	Publication of newspapers, provision of printing services and advertising 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%	Publication and distribution of newspaper and magazines
Life Publishers Berhad	9,000,000 ordinary shares of RM1 each	100%	Publication and distribution of newspaper and magazines
MCIL Multimedia Sdn Bhd	15,000,000 ordinary shares of RM1 each	100%	Electronic commerce activities through the internet and multimedia
Media Communications Sdn Bhd	100,000 ordinary shares of RM1 each	100%	Publication and distribution of magazines
Mulu Press Sdn Bhd	500,000 ordinary shares of RM1 each	100%	Distribution of newspapers and provision of editorial and advertising services

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(b) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated and operate in Malaysia are as follows: *(Continued)*

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
Nanyang Press Holdings Berhad	76,107,375 ordinary shares of RM1 each	100%	Publication and distribution of newspapers and magazines, investment holding, letting of properties and provision of management services
Nanyang Press Marketing Sdn Bhd	1,000,000 ordinary shares of RM1 each	100%	Provision of marketing and circulation services of newspaper products
Nanyang Siang Pau Sdn Bhd	60,000,000 ordinary shares of RM1 each	100%	Publication of newspapers and magazines and provision of advertising services
Sin Chew Media Corporation Berhad	302,000,000 ordinary shares of RM0.50 each	100%	Publication and distribution of newspaper and magazines, and provision of printing services

(c) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated outside Hong Kong and Malaysia are as follows:

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and fully paid share capital/ registered capital	Effective equity interest	Principal activities
Beijing Media Advertising Company Limited *(note 2)*	The People's Republic of China ("PRC") / PRC	RMB3,500,000	73.18%	Magazines advertising
Beijing OMG Advertising Company Limited *(note 2)*	PRC / PRC	RMB30,000,000	73.18%	Magazines operation
Beijing OMG M2U Advertising Company Limited *(note 2)*	PRC / PRC	RMB50,000,000	73.18%	Magazines advertising
Beijing Times Resource Technology Consulting Limited *(notes 1 & 2)*	PRC / PRC	RMB3,000,000	73.18%	Magazines operation
Charming Holidays (Guangdong) Limited *(note 2)*	PRC / PRC	HK$4,000,000	100%	Provision of travel and travel related services

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated outside Hong Kong and Malaysia are as follows: *(Continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and fully paid share capital/ registered capital	Effective equity interest	Principal activities
Comwell Investment Limited	The British Virgin Islands ("BVI") / HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Delta Tour & Travel Services (Canada), Inc.	Canada / Canada	850,000 common shares at no par value for CAD530,000	100%	Provision of travel and travel related services
Delta Tour & Travel Services, Inc.	The United States of America ("USA") / USA	461,500 common shares at no par value for US$300,500	100%	Provision of travel and travel related services
First Collection Limited	BVI / HK	1 ordinary share of US$1	100%	Investment holding
Guangzhou Kin Ming Printing Limited *(note 2)*	PRC / PRC	HK$25,000,000	100%	Provision of printing services
Media2U (BVI) Company Limited	BVI / HK	1 ordinary share of US$1	73.18%	Investment holding
Media Chinese International Holdings Limited	BVI / HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Media Connect Investment Limited	BVI / PRC	1 share at no par value for HK$1	73.18%	Investment holding
MediaNet Investment Limited	BVI / HK	1 ordinary share at no par value for HK$1	100%	Investment holding
MediaNet Resources Limited	BVI / HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Mingpao.com Holdings Limited	The Cayman Islands ("CI") / HK	717,735 ordinary shares of HK$0.1 each	97.78%	Investment holding
Ming Pao Enterprise Corporation Limited	CI / HK	1 ordinary share of US$1 each	100%	Investment holding
Ming Pao Finance Limited	BVI / HK	10 ordinary shares of US$1 each	100%	Holding of publishing titles
Ming Pao Holdings (Canada) Limited	Canada / Canada	1 common share at no par value for CAD1	100%	Investment holding

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of the Company's principal subsidiaries at 31 March 2012 that are incorporated outside Hong Kong and Malaysia are as follows: *(Continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and fully paid share capital/ registered capital	Effective equity interest	Principal activities
Ming Pao Holdings (USA) Inc.	USA / USA	1 common share of US$1	100%	Investment holding
Ming Pao Investment (Canada) Limited	Canada / Canada	1 common share of CAD1	100%	Investment holding
Ming Pao Investment (USA) L.P.	USA / USA	1,000 units for US$150,150	100%	Publication and distribution of newspaper
Ming Pao Newspapers (Canada) Limited	Canada / Canada	1,001 common shares at no par value for CAD11	100%	Publication and distribution of newspapers
One Media Group Limited	CI / HK	400,000,000 ordinary shares of HK$0.001 each	73.18%	Investment holding
One Media Holdings Limited	BVI / HK	20,000 ordinary shares of US$0.01 each	73.18%	Investment holding
Sky Success Enterprises Limited	BVI / HK & PRC	1 share at no par value for US$1	73.18%	Investment holding
Starsome Limited	BVI / HK	10 ordinary shares of US$1 each	100%	Investment holding
Top Plus Limited	BVI / HK	10 ordinary shares of US$1 each	73.18%	Investment holding

Notes:

(1) Beijing Times Resource Technology Consulting Limited ("TRT") is a domestic enterprise in PRC owned legally by PRC nationals. The Group has entered into contractual arrangements with the legal owners of this company so that the decision-making rights, operating and financing activities of TRT are ultimately controlled by the Group. The Group is also entitled to substantially all of the operating profits and residual benefits generated by TRT under these arrangements. In particular, the legal owners of TRT are required under their contractual arrangements with the Group to transfer their interests in TRT to the Group or the Group's designee upon the Group's request at a pre-agreed nominal consideration. 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.

(2) These subsidiaries have 31 December as their financial accounting year end date, which is not coterminous with that of the Group for the reason of compliance with local regulations.

The 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.

43 DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS/ (ACCUMULATED LOSSES)

The following analysis of realised and unrealised retained profits is prepared in accordance with the Guidance on Special Matter No.1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants and based on the prescribed format by Bursa Securities.

	Group As at 31 March 2012 US$'000	Company As at 31 March 2012 US$'000
Total retained profits:		
— Realised	212,437	97,840
— Unrealised	(12,182)	—
	200,255	97,840
Total share of accumulated losses from associates:		
— Realised	(732)	—
— Unrealised	33	—
	(699)	—
Less: consolidation adjustments	(15,846)	—
Total retained profits as per consolidated statement of financial position/statement of financial position	183,710	97,840

The disclosure of realised and unrealised retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

Additional Compliance Information

STATUTORY DECLARATION

Pursuant to Paragraph 4A.16 of the Listing Requirements of Bursa Malaysia Securities Berhad

I, FU Shuk Kuen, being the person primarily responsible for the financial management of Media Chinese International Limited, do solemnly and sincerely declare that the financial statements set out on pages 75 to 153 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 30 May 2012

Before me,

Notary Public

Five-Year Financial Summary

The results of the Group for the last five financial years are as follows:

	For the year ended 31 March				
	2012	2011	2010	2009	2008
	US$'000	US$'000	US$'000	US$'000	US$'000
Turnover	**472,237**	445,844	376,001	394,303	328,260
Profit attributable to equity holders of the Company	**63,209**	54,825	41,136	16,790	19,188
Basic earnings per share (US cents)	**3.75**	3.26	2.44	1.00	2.10

The assets and liabilities of the Group for the last five financial years are as follows:

	As at 31 March				
	2012	2011	2010	2009	2008
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	**151,049**	157,145	139,962	119,929	134,603
Investment properties	**11,212**	11,428	8,686	6,224	7,056
Leasehold land and land use rights	**2,025**	2,079	2,144	2,208	2,262
Intangible assets	**78,124**	79,300	77,466	69,481	84,472
Non-current assets held for sale	**—**	—	—	77	—
Interests in associates	**2,253**	2,379	2,739	—	—
Investment in convertible notes — debt portion	**—**	537	511	—	—
Financial assets at fair value through profit or loss	**—**	—	—	—	1,128
Defined benefit plan assets	**—**	277	258	—	579
Deferred income tax assets	**1,426**	972	1,831	2,430	3,630
Non-current assets	**246,089**	254,117	233,597	200,349	233,730
Current assets	**271,177**	250,364	223,610	173,057	207,666
Current liabilities	**(81,573)**	(89,803)	(93,701)	(72,078)	(96,885)
Net current assets	**189,604**	160,561	129,909	100,979	110,781
Total assets less current liabilities	**435,693**	414,678	363,506	301,328	344,511
Non-controlling interests	**(6,229)**	(5,457)	(8,263)	(8,189)	(7,952)
Other long-term liabilities	**(1,348)**	(1,267)	(1,560)	(3,072)	(6,453)
Deferred income tax liabilities	**(14,552)**	(13,546)	(12,374)	(10,249)	(8,830)
Equity holders' funds	**413,564**	394,408	341,309	279,818	321,276

Additional Information

CONSOLIDATED INCOME STATEMENT

	(Unaudited) For the year ended 31 March 2012 RM'000 *(note)*	2011 RM'000 *(note)*
Turnover	**1,447,170**	1,366,289
Cost of goods sold	**(874,890)**	(812,923)
Gross profit	**572,280**	553,366
Other income	**29,747**	23,450
Other gains, net	**9,307**	6,460
Selling and distribution expenses	**(216,013)**	(196,842)
Administrative expenses	**(113,292)**	(122,660)
Other operating expenses	**(19,968)**	(32,735)
Operating profit	**262,061**	231,039
Finance costs	**(1,039)**	(2,547)
Share of losses of associates	**(901)**	(1,085)
Gain on dilution of interest in an associate	**101**	—
Profit before income tax	**260,222**	227,407
Income tax expense	**(63,043)**	(56,454)
Profit for the year	**197,179**	170,953
Attributable to:		
Equity holders of the Company	**193,704**	168,011
Non-controlling interests	**3,475**	2,942
	197,179	170,953
Earnings per share attributable to the equity holders of the Company		
Basic (sen)	**11.49**	9.99
Diluted (sen)	**11.49**	9.96
Dividends	**136,916**	100,847

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) For the year ended 31 March	
	2012	2011
	RM'000	RM'000
	(note)	*(note)*
Profit for the year	**197,179**	170,953
Other comprehensive (losses)/income		
Currency translation differences	**(12,077)**	71,400
Actuarial losses of defined benefit plan assets	**(2,544)**	(358)
Actuarial losses of long service payment obligations	**(285)**	(28)
Revaluation gain recognised upon transfer from property held for own use to investment properties	**—**	2,142
Other comprehensive (losses)/income for the year, net of tax	**(14,906)**	73,156
Total comprehensive income for the year	**182,273**	244,109
Attributable to:		
Equity holders of the Company	**178,620**	241,032
Non-controlling interests	**3,653**	3,077
	182,273	244,109

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 31 March 2012 RM'000 (note)	2011 RM'000 (note)
ASSETS		
Non-current assets		
Property, plant and equipment	**462,890**	481,571
Investment properties	**34,359**	35,021
Leasehold land and land use rights	**6,206**	6,371
Intangible assets	**239,411**	243,015
Deferred income tax assets	**4,370**	2,979
Defined benefit plan assets	**—**	849
Interests in associates	**6,904**	7,290
Investment in convertible notes — debt portion	**—**	1,646
	754,140	778,742
Current assets		
Inventories	**177,431**	211,919
Available-for-sale financial assets	**297**	297
Financial assets at fair value through profit or loss	**585**	653
Investment in convertible notes — debt portion	**1,741**	—
Trade and other receivables	**233,331**	211,178
Income tax recoverable	**4,980**	4,508
Cash and cash equivalents	**412,656**	338,685
	831,021	767,240
Current liabilities		
Trade and other payables	**216,424**	210,886
Income tax liabilities	**16,916**	17,379
Short-term bank loans	**16,196**	45,554
Current portion of long-term liabilities	**444**	1,382
	249,980	275,201
Net current assets	**581,041**	492,039
Total assets less current liabilities	**1,335,181**	1,270,781

Additional Information

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 31 March 2012 RM'000 *(note)*	2011 RM'000 *(note)*
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	**66,545**	66,441
Share premium	**860,567**	858,976
Other reserves	**(222,725)**	(207,641)
Retained earnings		
— Proposed dividend	**74,869**	59,565
— Others	**488,110**	431,322
	562,979	490,887
	1,267,366	1,208,663
Non-controlling interests	**19,089**	16,723
Total equity	**1,286,455**	1,225,386
Non-current liabilities		
Other long-term liabilities	**4,131**	3,883
Deferred income tax liabilities	**44,595**	41,512
	48,726	45,395
	1,335,181	1,270,781

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM as at 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 31 March 2012 RM'000 *(note)*	2011 RM'000 *(note)*
ASSETS		
Non-current assets		
Interests in subsidiaries	**1,319,393**	1,319,393
Current assets		
Trade and other receivables	**159**	153
Cash and cash equivalents	**172**	190
	331	343
Current liabilities		
Trade and other payables	**16,962**	15,133
Net current liabilities	**(16,631)**	(14,790)
Total assets less current liabilities	**1,302,762**	1,304,603
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	**66,546**	66,441
Share premium	**860,567**	858,976
Other reserves	**75,819**	75,758
Retained earnings		
— Proposed dividend	**74,869**	59,565
— Others	**224,961**	243,863
	299,830	303,428
Total equity	**1,302,762**	1,304,603

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM as at 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited) Attributable to equity holders of the Company						
	Share capital	**Share premium**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	(note)	*(note)*	*(note)*	*(note)*	*(note)*	*(note)*	*(note)*
At 1 April 2010	66,413	858,550	(282,967)	403,944	1,045,940	25,322	1,071,262
Total comprehensive income for the year	—	—	73,021	168,011	241,032	3,077	244,109
Transactions with equity holders in their capacity as owners:							
Exercise of share options	28	426	—	—	454	—	454
Acquisition of additional interest in a listed subsidiary	—	—	2,213	—	2,213	(7,444)	(5,231)
Disposal of interest in a listed subsidiary without loss of control	—	—	61	—	61	411	472
Share compensation costs on share options granted by a listed subsidiary	—	—	31	—	31	12	43
2009–2010 final dividend paid by a listed subsidiary	—	—	—	—	—	(4,330)	(4,330)
2009–2010 second interim dividend paid	—	—	—	(39,786)	(39,786)	—	(39,786)
2010–2011 interim dividend paid by a listed subsidiary	—	—	—	—	—	(325)	(325)
2010–2011 first interim dividend paid	—	—	—	(41,282)	(41,282)	—	(41,282)
Total transactions with equity holders	28	426	2,305	(81,068)	(78,309)	(11,676)	(89,985)
At 31 March 2011	66,441	858,976	(207,641)	490,887	1,208,663	16,723	1,225,386

Additional Information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited) Attributable to equity holders of the Company						
	Share capital RM'000 *(note)*	Share premium RM'000 *(note)*	Other reserves RM'000 *(note)*	Retained earnings RM'000 *(note)*	Total RM'000 *(note)*	Non-controlling interests RM'000 *(note)*	Total equity RM'000 *(note)*
At 1 April 2011	**66,441**	**858,976**	**(207,641)**	**490,887**	**1,208,663**	**16,723**	**1,225,386**
Total comprehensive (losses)/income for the year	—	—	**(15,084)**	**193,704**	**178,620**	**3,653**	**182,273**
Transactions with equity holders in their capacity as owners:							
Exercise of share options	**104**	**1,594**	—	—	**1,698**	—	**1,698**
Repurchase of ordinary shares	—	**(3)**	—	—	**(3)**	—	**(3)**
2010–2011 final dividend paid by a listed subsidiary	—	—	—	—	—	**(876)**	**(876)**
2010–2011 second interim dividend paid	—	—	—	**(59,565)**	**(59,565)**	—	**(59,565)**
2011–2012 special dividend paid	—	—	—	**(20,682)**	**(20,682)**	—	**(20,682)**
2011–2012 interim dividend paid by a listed subsidiary	—	—	—	—	—	**(411)**	**(411)**
2011–2012 first interim dividend paid	—	—	—	**(41,365)**	**(41,365)**	—	**(41,365)**
Total transactions with equity holders	**104**	**1,591**	—	**(121,612)**	**(119,917)**	**(1,287)**	**(121,204)**
At 31 March 2012	**66,545**	**860,567**	**(222,725)**	**562,979**	**1,267,366**	**19,089**	**1,286,455**

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) For the year ended 31 March 2012 RM'000 *(note)*	2011 RM'000 *(note)*
Cash flows from operating activities		
Cash generated from operations	**306,199**	342,286
Interest on bank loans	**(904)**	(2,473)
Interest element of finance lease payments	**(135)**	(74)
Income tax paid	**(61,636)**	(49,060)
Net cash generated from operating activities	**243,524**	290,679
Cash flows from investing activities		
Acquisition of an associate	**(196)**	—
Acquisition of additional interest in a listed subsidiary	**—**	(5,231)
Disposal of interest in a listed subsidiary without loss of control	**—**	472
Purchase of property, plant and equipment	**(22,065)**	(58,802)
Purchase of intangible assets	**(1,796)**	(2,262)
Proceeds from disposal of property, plant and equipment	**895**	328
Proceeds from disposal of investment properties	**631**	260
Interest received	**7,793**	4,100
Dividends received	**31**	28
Net cash used in investing activities	**(14,707)**	(61,107)
Cash flows from financing activities		
Repurchase of ordinary shares	**(3)**	—
Proceeds from exercise of share options	**1,698**	454
Dividends paid	**(121,612)**	(81,068)
Dividends paid to non-controlling interests by a listed subsidiary	**(1,287)**	(4,655)
Proceeds from bank loans	**48,560**	81,746
Repayment of bank loans	**(77,992)**	(137,427)
Capital element of finance lease payments	**(2,249)**	(1,066)
Net cash used in financing activities	**(152,885)**	(142,016)
Net increase in cash and cash equivalents	**75,932**	87,556
Cash and cash equivalents at beginning of year	**338,685**	237,306
Exchange adjustments on cash and cash equivalents	**(1,961)**	13,823
Cash and cash equivalents at end of year	**412,656**	338,685

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2012 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0645 ruling at 31 March 2012. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Analysis of Shareholdings

As at 3 July 2012

Authorised share capital	:	HK$250,000,000 divided into 2,500,000,000 ordinary shares of HK$0.10 each
Issued and paid-up capital	:	HK$168,724,124.10
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	601	7.17	27,079	*
100 to 1,000	1,212	14.45	814,351	0.05
1,001 to 10,000	4,845	57.77	20,939,447	1.24
10,001 to 100,000	1,469	17.52	38,018,724	2.25
100,001 to less than 5% of issued shares	253	3.03	766,880,745	45.46
5% and above of issued shares	5	0.06	860,560,895	51.00
TOTAL	**8,385**	**100.00**	**1,687,241,241**	**100.00**

* negligible

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS

	Name of shareholders	Number of shares held	% of issued capital
1	Progresif Growth Sdn Bhd	326,463,556	19.35
2	HSBC Nominees (Hong Kong) Limited	179,222,700	10.62
3	Zaman Pemimpin Sdn Bhd	154,219,783	9.14
4	HKSCC Nominees Limited	113,545,798	6.73
5	Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16
6	Ezywood Options Sdn Bhd	75,617,495	4.48
7	Teck Sing Lik Enterprise Sdn Bhd	65,319,186	3.87
8	Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board)	59,958,417	3.56
9	Madigreen Sdn Bhd	52,875,120	3.14
10	Persada Jaya Sdn Bhd	40,695,560	2.41
11	Valuecap Sdn Bhd	27,000,000	1.60
12	Suria Kilat Sdn Bhd	17,534,697	1.04
13	Rimbunan Hijau (Sarawak) Sdn Bhd	15,536,696	0.92
14	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 2))	15,296,991	0.91
15	Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board (Nomura))	15,098,500	0.90
16	Cartaban Nominees (Asing) Sdn Bhd (BBH (Lux) SCA for Fidelity Funds Asean)	14,546,200	0.86
17	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (LPF))	13,683,716	0.81

Analysis of Shareholdings

As at 3 July 2012

	Name of shareholders	Number of shares held	% of issued capital
18	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Datuk TIONG Thai King)	12,350,000	0.73
19	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Dato' Sri Dr TIONG Ik King)	11,144,189	0.66
20	Amanahraya Trustees Berhad (Public Islamic Sector Select Fund)	10,695,600	0.64
21	Pertumbuhan Tiasa Sdn Bhd	10,430,945	0.62
22	Ms WONG Yiing Ngiik	10,126,000	0.60
23	RHB Capital Nominees (Asing) Sdn Bhd (RHB Bank (L) Ltd For Aubenas Overseas Corp.)	10,000,000	0.59
24	RHB Capital Nominees (Asing) Sdn Bhd (RHB Bank (L) Ltd For Connaux Invest & Trade Ltd)	10,000,000	0.59
25	RHB Capital Nominees (Asing) Sdn Bhd (RHB Bank (L) Ltd For Lancelot Assets Limited)	10,000,000	0.59
26	Citigroup Nominees (Tempatan) Sdn Bhd (ING Insurance Berhad (INV-IL PAR))	9,490,700	0.56
27	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 1))	8,861,900	0.53
28	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (DR))	8,804,000	0.52
29	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 3))	8,660,137	0.51
30	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (LGF))	8,480,000	0.50
		1,402,766,944	83.14

DIRECTORS' INTERESTS

	Name of directors	Direct interest: Number of shares	Direct interest: % of issued capital	Indirect interest: Number of shares	Indirect interest: % of issued capital
(a)	The Company				
	Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16	798,478,690[(1)]	47.32
				10,592,295[(2)]	0.63
	Dato' Sri Dr TIONG Ik King	11,144,189	0.66	252,487,700[(3)]	14.96
	Mr TIONG Kiew Chiong	3,607,783	0.21	—	—
	Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	0.01	—	—

Analysis of Shareholdings

As at 3 July 2012

	Name of directors	Direct interest Number of shares	Direct interest % of issued capital	Indirect interest Number of shares	Indirect interest % of issued capital	Number of share options granted
(b)	Subsidiary — One Media Group Limited					
	Tan Sri Datuk Sir TIONG Hiew King	—	—	292,700,000	73.18	1,250,000
	Dato' Sri Dr TIONG Ik King	—	—	292,700,000	73.18	1,000,000
	Mr TIONG Kiew Chiong	4,000,000	1.00	—	—	1,250,000
	Mr David YU Hon To	—	—	—	—	150,000

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of shareholders	Direct interest Number of shares	Direct interest % of issued capital	Indirect interest Number of shares	Indirect interest % of issued capital
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16	798,478,690(1)	47.32
			10,592,295(2)	0.63
Dato' Sri Dr TIONG Ik King	11,144,189	0.66	252,487,700(3)	14.96
Progresif Growth Sdn Bhd	326,463,556	19.35	—	—
Conch Company Limited	252,487,700	14.96	—	—
Zaman Pemimpin Sdn Bhd	154,219,783	9.14	—	—
Pertumbuhan Abadi Asia Sdn Bhd	1,902,432	0.11	477,025,055(4)	28.27
Seaview Global Company Limited	—	—	252,487,700(5)	14.96
Salmiah Binti SANI	—	—	154,219,783(6)	9.14
Ms LU Mee Bing	—	—	154,219,783(6)	9.14
Globegate Alliance Sdn Bhd	—	—	154,219,783(6)	9.14

Notes:

(1) Deemed interested by virtue of his interests in Progresif Growth Sdn Bhd, Conch Company Limited, Ezywood Options Sdn Bhd, Teck Sing Lik Enterprise Sdn Bhd, Madigreen Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd and Tiong Toh Siong Enterprises Sdn Bhd.

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

(3) Deemed interested by virtue of his interest in Conch Company Limited.

(4) Deemed interested by virtue of its interest in Progresif Growth Sdn Bhd, Ezywood Options Sdn Bhd, Madigreen Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd and Rimbunan Hijau Southeast Asia Sdn Bhd.

(5) Deemed interested by virtue of its interest in Conch Company Limited.

(6) Deemed interested by virtue of its/her interest in Zaman Pemimpin Sdn Bhd.

List of Properties

As at 31 March 2012

The top 10 land and buildings in terms of highest net book value owned by the Group are as follows:

	Location	Year of acquisition	Tenure/ Expiry of lease	Description	Approximate area (Sq ft)	Approximate age of buildings	Net book value US$'000
1	1, Jalan SS7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia	1994	Freehold	Office building and factory building	269,892	18 years	13,233
2	Lot 50 & 51, Seksyen 13, Bandar Petaling Jaya, Selangor Darul Ehsan, Malaysia	2008	Leasehold / 2059	Office building	150,470	3 years	12,986
3	No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	2001	Leasehold / 2063	Printing plant	151,769	7 years	11,131
4	31, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	1990	Leasehold / 2066	Office building and factory building	46,866	4 years	3,813
5	80, Jalan Riong, 59100 Kuala Lumpur, Malaysia	1976	Freehold	Office building and factory building	42,716	37 years	3,595
6	Workshops 1–16 on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	1992	Leasehold / 2047	Storage	33,232	20 years	3,486
7	Lot 2123, Section 66, Lorong 3, Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	1996	Leasehold / 2047	Office and printing plant	44,950	15 years	3,340
8	Workshops 1–7 on G/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	1992	Leasehold / 2047	Industrial	17,857	20 years	3,156
9	Whole block of Yun Xing Bldg, Winking International Commercial Centre, Tong He Road, Bai Yun District, Guangzhou, PRC	1993	Leasehold / 2042	Industrial	119,795	19 years	2,464
10	Lot 2620 (Part of 804), Block 4, Jalan Cattleya 3, Piasau Industrial Estate, Miri Concession Land District, Sarawak, Malaysia	2005	Leasehold / 2036	Office, printing plant and warehouse	32,826	6 years	2,018

Notice of the 22nd Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-second Annual General Meeting ("AGM") of Media Chinese International Limited will be held at (i) Sin Chew Media Corporation Berhad, Cultural Hall, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Wednesday, 29 August 2012 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 2012 together with the Directors' and Independent Auditor's Reports thereon. — Ordinary Resolution 1

2. To approve the payment of Directors' fees for the financial year ended 31 March 2012 in the amount of US$556,000. — 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 Kiew Chiong — Ordinary Resolution 4
   iii. Ms SIEW Nyoke Chow — Ordinary Resolution 5
   iv. Mr David YU Hon To — Ordinary Resolution 6
   v. Mr NG Chek Yong — Ordinary Resolution 7

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 8

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

   "**THAT**, subject to the provisions of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with specific classes of Related Parties (as set out in Section 2 of Part A of the circular to shareholders dated 23 July 2012), which are necessary for the day to day operations of the Company and its subsidiaries, in the ordinary course of business on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company; — Ordinary Resolution 9

   THAT such an approval shall only continue to be in force until:

   (a) the conclusion of the next AGM of the Company at which time it will lapse, unless the mandate is renewed by an ordinary resolution passed at the next AGM;

   (b) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(c) the date on which the approval set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.

AND **THAT** the Directors of the Company be and are hereby authorised to take all steps and to do all such acts and deeds as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

6. ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

"**THAT** subject always to the rules, regulations, orders made pursuant to the Malaysian Companies Act, 1965 (the "Act"), provisions of the Company's Bye-Laws, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Listing Requirements of Bursa Securities or of any other stock exchange and any other relevant authority or approval for the time being in force or as amended from time to time, and paragraph (a) below, the Directors of the Company be hereby authorised to repurchase ordinary shares of HK$0.10 each in the Company's issued and paid-up ordinary share capital as may be determined by the Directors from time to time through The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Bursa Securities or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong, the Stock Exchange and Bursa Securities for this purpose, upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that: Ordinary Resolution 10

(a) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to the approval in the paragraph above shall not exceed 10% of the aggregate nominal amount of the total issued and paid up ordinary share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the said purchase(s); and

(c) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and continue to be in force during the Relevant Period.

For the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next AGM of the Company following the passing of the share buy-back resolution, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel all the shares so purchased pursuant to Rule 10.06(5) of the Hong Kong Listing Rules and/or to deal with the shares in any other manner as may be allowed or prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Hong Kong Listing Rules and Listing Requirements of Bursa Securities.

AND **THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid purchase(s) of shares with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

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 11

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the Bye-Laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

    (i) the conclusion of the next AGM of the Company;

    (ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

    (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company to the holders of the shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company)."

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. 10 and 11 set out in the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution No. 11 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 10 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as the date of the said resolution." Ordinary Resolution 12

9. SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE BYE-LAWS

"**THAT** the Bye-Laws of the Company (the "Bye-Laws") be and are hereby amended in the following manner: Special Resolution 13

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

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

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

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

Notice of the 22nd Annual General Meeting

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

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

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

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
LAW Yuk Kuen
TONG Siew Kheng
Joint Company Secretaries

23 July 2012

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one proxy or proxies to attend and vote instead of him. A proxy may but need not be a member of the Company.

   When a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

2. A member of the Company who is an authorised nominee as defined under the Malaysian Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy (but not more than two proxies) in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

3. In respect of the members in Malaysia, only members registered in the Record of Depositors as at 17 August 2012 shall be eligible to attend the meeting or appoint proxy or proxies to attend and vote on their behalf.

4. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with (i) Malaysia 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.

Notice of the 22nd Annual General Meeting

5. Explanatory notes on special business:

   (a) The proposed Ordinary Resolution No. 9, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business based on normal commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the day-to-day operations of the Company and its subsidiaries. Please refer to the circular to shareholders dated 23 July 2012 for more information.

   (b) The explanatory notes on Ordinary Resolution No. 10 are set out in the circular to shareholders dated 23 July 2012 accompanying the Annual Report.

   (c) The Company has not issued any new shares under the general mandate for issuance and allotment of shares up to 10% of the issued and paid-up capital of the Company, which was approved at the 21st AGM held on 24 August 2011 and which will lapse at the conclusion of the 22nd AGM to be held on 29 August 2012. A renewal of this mandate is sought at the 22nd AGM under proposed Ordinary Resolution No. 11.

       The proposed Ordinary Resolution No. 11, if passed, will authorise the Directors to issue and allot shares up to 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This is to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This authority, unless revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

       The general mandate, if passed, will provide flexibility to the Directors of the Company to allot and issue shares for any possible fund raising activities, including but not limited to placement of shares, for the purpose of funding future investment, working capital and/or acquisition.

   (d) The proposed Special Resolution No. 13, if passed, will streamline the Company's Bye-Laws with the Listing Requirements of Bursa Securities and to update the Bye-Laws to be consistent with the prevailing laws, guidelines or requirements of the relevant authorities.

Statement Accompanying Notice of Annual General Meeting

Tan Sri Datuk Sir TIONG Hiew King, Mr TIONG Kiew Chiong, Ms SIEW Nyoke Chow, Mr David YU Hon To and Mr NG Chek Yong are the Directors standing for re-election at the forthcoming Twenty-second 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	4–9
(b)	The working experience and occupation	4–9
(c)	Any other directorships of public companies	4–9
(d)	The details of any interest in the Company and its subsidiaries	4–9
(e)	The family relationship with any director and/or major shareholder of the Company	4–9
(f)	Any conflict of interest that they have with the Company	9
(g)	The list of convictions for offences within the past 10 years other than traffic offences, if any	9

Details of attendance of directors at board meetings are set out on page 35 of the Annual Report.

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