2014
ANNUAL REPORT

東方報業集團有限公司

ORIENTAL PRESS GROUP LTD

(Stock Code : 18)

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Ching-fat MA, *BBS*
Chairman

Mr. Ching-choi MA
Vice Chairman

Mr. Shun-chuen LAM
Chief Executive Officer

Non-executive Director

Mr. Dominic LAI

Independent Non-executive Directors

Mr. Yau-nam CHAM
Mr. Ping-wing PAO, *JP*
Mr. Yat-fai LAM

EXECUTIVE COMMITTEE

Mr. Ching-fat MA, *BBS (Chairman)*
Mr. Ching-choi MA
Mr. Shun-chuen LAM

AUDIT COMMITTEE

Mr. Yat-fai LAM *(Chairman)*
Mr. Dominic LAI
Mr. Ping-wing PAO, *JP*

REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Mr. Yat-fai LAM *(Chairman)*
Mr. Ping-wing PAO, *JP*

INVESTMENT COMMITTEE

Mr. Ching-choi MA *(Chairman)*
Mr. Shun-chuen LAM
Mr. Yat-fai LAM

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ching-fat MA, *BBS (Chairman)*
Mr. Yau-nam CHAM
Mr. Ping-wing PAO, *JP*

COMPANY SECRETARY

Ms. Trix Kam-ying NGAN

SOLICITORS

Iu, Lai & Li, Solicitors

AUDITOR

HLM CPA Limited
Certified Public Accountants

BANKERS

Hang Seng Bank
Industrial and Commercial Bank of China (Asia)
Chong Hing Bank

REGISTERED OFFICE

Oriental Press Centre
23 Dai Cheong Street
Tai Po Industrial Estate
Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Friendly Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited 18

CONTACT INFORMATION

Tel: +852 3600 1125
Fax: +852 3600 1100
e-mail: finance@on.cc

Management Discussion and Analysis

RESULTS

For the year ended 31 March 2014 (the "Reporting Year"), the audited consolidated profit attributable to owners of Oriental Press Group Limited (the "Company") amounted to HK$90,361,000.

FINANCIAL RESOURCES AND LIQUIDITY

The Company, together with its subsidiaries, (collectively, the "Group") always maintain a strong liquidity. The working capital as at 31 March 2014 amounted to approximately HK$1,827,039,000 (2013: HK$1,819,528,000), which includes time deposits, bank balances and cash amounting to approximately HK$1,741,560,000 (2013: HK$1,601,803,000). As at 31 March 2014, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of total shareholders' equity, was 0.4% (2013: 0.4%).

During the Reporting Year, the Group's capital expenditure was approximately HK$45,839,000 (2013: HK$84,190,000).

CONTINGENT LIABILITY

As at 31 March 2014, the Group had no material contingent liability.

DIVIDENDS

The directors of the Company (the "Director(s)") recommend a final dividend of HK3 cents (2013: final dividend of HK2 cents and special dividend of HK1 cent) per share of the Company (the "Share(s)") for the Reporting Year, payable to the shareholders of the Company (the "Shareholder(s)") whose names appear on the Register of Members of the Company on 26 August 2014. Together with the paid interim dividend of HK1 cent (2013: HK2 cents) per Share and a special dividend of HK2 cents (2013: HK2 cents) per Share, the dividends for the Reporting Year amount to HK6 cents (2013: HK7 cents) per Share. The proposed final dividend will be payable on or around 8 September 2014.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 19 August 2014 to 20 August 2014 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the annual general meeting of the Company ("AGM") to be held on 20 August 2014 and voting in the meeting, all transfers accompanied with the relevant Share certificates must be deposited with the Company's Share registrar, Tricor Friendly Limited, whose address is at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:00 p.m. on 18 August 2014.

Subject to Shareholders' approval at the AGM, the proposed final dividend will be distributed to the Shareholders whose names appear on the Register of Members of the Company on 26 August 2014. The Register of Members of the Company will be closed on 26 August 2014. In order to qualify for payment of the recommended final dividend, all transfers accompanied with the relevant Share certificates must be deposited with the Company's Share registrar, Tricor Friendly Limited, whose address is at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:00 p.m. on 25 August 2014.

Management Discussion and Analysis

BUSINESS REVIEW

“**Oriental Daily News**” continues to be the best-selling and most widely read newspaper in Hong Kong, and has been so for the last 38 consecutive years. It is truly “The Paper for Hong Kong”. According to the research of Oracle Added Value, which has been regarded as the best marketing research company of the year in Hong Kong, the readership of “Oriental Daily News” achieved a record high of 3,768,048 in June and July 2013, representing an increase of 35,892 readers over that in October 2011, and is also 56% higher than that of “Apple Daily”. The research showed that “Oriental Daily News” enjoys quality readership, of which the percentages of employers, executives, professionals and college graduates are higher than the respective percentages in Hong Kong’s population as a whole. During the Reporting Year, “Oriental Daily News” has undergone a revamp, adding to it a number of distinctive and quality new columns. With fast, accurate and authoritative exclusive news coverage, as well as influential commentary articles, “Oriental Daily News” enjoys high popularity among the readers. By its high sales volume, excellent reputation, extensive coverage and a broad quality readership, “Oriental Daily News” has been the top-preferred choice for advertisers to market their products. The sales of “Oriental Daily News” has remained steady despite the increase of its retail price to HK$7 in April last year, contributing to an increase in revenue from distribution to the Group.

“**The Sun**” is holding fast as the third best-selling Chinese newspaper in Hong Kong for the last 15 consecutive years. According to the research of Oracle Added Value, which has been regarded as the best marketing research company of the year in Hong Kong, the readership of “The Sun” achieved a record of 1,704,339 in June and July 2013, which represents an increase of 69,839 readers over that in October 2011, proving that it has received extensive recognition, and its position is improving by the day. “The Sun”, with a large young readership, constantly pursues innovation and improvement, and presents a flexible layout and attractive headlines. “The Sun” explores controversial social issues through various forms of special feature reports in a light and refreshing alternative way of presentation. With a double-cover design, its supplement “Goodlife” presents the latest local trends under different themes every day, and also provides diversified overseas entertainment news, appealing to young readers and advertisers.

“**Good News**”, an entertainment paperzine for young readers, is distributed with “The Sun” each Friday and is also given out separately in downtown areas throughout Hong Kong free of charge. It has been gaining popularity since its launch in November 2012 and has become the entertainment paperzine that the readers read every Friday. “Good News” boldly carries “secrets” in the entertainment circle and keeps track of the latest news of celebrities and artists. With streams of exclusive reports, supplemented by beauty, dining and parenting contents, “Good News” receives much appreciation from readers. Attracted by the unique style of “Good News”, advertisers give out their products through the column “Good Deals” to enhance their promotional effect. During the Reporting Year, “Good News” overhauled its layout design making its masthead and layout more fashionable, thus highlighting the distinctive image of “Good News”.

Management Discussion and Analysis

"**on.cc**" is the flagship online portal of the Group, and also the new media business that the Group has been focusing on in recent years. According to a summary analysis of Hong Kong 2013/2014 reports of comScore Media Metrix, an international market research company, "on.cc" continues to record the largest number of page views and becomes the news portal of the highest page views in Hong Kong, and has recorded a historic high of 4.21 million monthly unique visitors and more than 4 million downloads of mobile applications. "on.cc" is highly recognised for its unparalleled fast, extensive and detailed news coverage and insightful analyses on current affairs. In response to the rapid development of technology, "on.cc" has been developing its website and mobile applications, optimising the layout and enriching its content. In order to attract readers in Taiwan and mainland China, as well as to enlarge the Group's market and enhance its influence, "on.cc" has added a new website "tw.on.cc" and a mobile application specially for readers in Taiwan, and a simplified Chinese characters news website "cn.on.cc" and a mobile application for readers in mainland China. When students in Taiwan rallied at the Executive Yuan in a protest against the Cross-Strait Service Trade Agreement in March this year, "on.cc" reporters made overnight live coverage at the site reporting on the clearing up of the students, and provided more live videos than any other media from Hong Kong. In celebration of the Group's 45th anniversary, "on.cc" offered "The Sun ePaper", "Good News ePaper" and "Oriental Daily ePaper" free of charge globally to give payback to the readers for their support, making an unprecedented move in the industry. These offers were well received by readers, driving up the weekly page views to more than 30 million and extending the Group's influence all over the world instantly. During the Reporting Year, the mobile application "on.cc e-newspaper", including "Oriental Daily ePaper", "The Sun ePaper", "Good News ePaper", "FLASHoN eMagazine" and "Supplement ePaper", was launched, integrating the print media with this new media. A large number of netizens have downloaded the application, delivering the advertisements of advertisers to all over the world. "on.cc" has been partnering with international search engines such as Google and Yahoo for years. Numerous news stories reported by the Group have been widely circulated on social networks, further extending the reach of "on.cc".

"**ontv**" has officially changed its name to "ontv 東網電視" on 28 December 2013. "ontv" viewers can watch the latest news videos on computer browsers, tablet PCs and mobile phones. During the Reporting Year, "ontv" has made constant innovation in its technology and contents, and produced diversified programmes which include current affairs programmes such as "Yuk-man Reveals" (毓民踢爆), "Discussions on Hong Kong" (港是港非), "Hong Kong Affairs" (港事串燒), "Pros and Cons Forum" (正反論壇), "News Focus" (新聞焦點), entertainment programmes such as "Entertainment on Show" (娛樂 on Show), "Entertainment Showtime" (娛樂演・講・聽), and financial programmes such as "Pre-opening Stock Picks" (開市點股), "Stock Market Mastermind" (股壇 Mastermind). These highly popular programmes spearhead the development of online TV.

"**Money 18**" provides netizens with real-time financial information, including the Real-time Quote, financial news, trading volume of properties and recommendations on investment. Amongst these, Real-time Quote is particularly popular with investors, serving as a promotion platform for foreign banks to market callable bull/bear contracts and warrants. Through prompt responses to the investment market, "Money 18" keeps abreast of market moves and provides investors with the latest information and detailed analysis, enabling them to adjust their investment portfolios and strategies to market changes.

Management Discussion and Analysis

"**FLASHoN**" a free trendy monthly, is distributed with "Oriental Daily News" for free in certain high-end residential and commercial areas in Hong Kong, and is available on request at specified places. "FLASHoN" features an elegant layout and exquisite printing. In addition to updates on local events and news on celebrities, this monthly also shares information on trendy fashion, jewellery, beauty, wine, cuisine and travel. "FLASHoN" has also extended its content to its website "FLAHSoN.com", enabling its readers to access the first-hand information anytime and anywhere including videos of international fashion shows and interviews with celebrities from the fashion world. Since its inception three years ago, "FLASHoN" has attracted a group of readers of high spending ability and good tastes. The growing number of renowned international brands cooperating with "FLASHoN" shows the popularity and reputation of "FLASHoN" in the market as well as its growing status.

In respect of overseas investment, each of the Group's rental properties overseas has recorded satisfactory return, and has been generating steady rental income for the Group.

Due to the decrease in advertising income, exchange loss arising from the depreciation of the Australian dollar, and application of the net gain attributable to the revaluation of the properties, plant and equipment in the Reporting Year toward the reserves, the Group's earnings in the Reporting Year decreased compared with the same period last year. In the Reporting Year, the Group took various administrative measures to reduce expenses and successfully controlled printing cost, but it was not able to offset such reduction against the decrease in advertising revenue. During the Reporting Year, the Group's advertising income was affected as property developers reduced their advertising budgets amid the market downturn of the real estate industry, and customers from financial investments and retail industries also cut their advertising expenses as a result of light trading in the investment market and a fall in travellers' spending power. In addition, budgets of the advertising market obviously flowed into online and mobile platforms, posing pressure on the print media. During the Reporting Year, the Group's efforts to reform its online business to take up part of the advertising income diverted from the print media have shown satisfactory results. The successful reform of "on.cc" has paved the way for the Group's online business in the future.

BUSINESS OUTLOOK

The Group expects that the advertising market will continue to grow at a low rate against the sluggish global economy and political uncertainties. The increasing popularisation of the internet and mobile phones is expected to drive up the advertisements in this new media and results in a reduction in advertising revenue of newspapers. However, the Group believes that as the new media is still at a budding stage, its advertising capacity and prices are not comparable to print media. It will take some time before the new media can become the mainstream advertising market. Fortunately, "Oriental Daily News" and "The Sun" have been enjoying a large readership at all times, which will moderate the slowdown of the print media resulting from the emergence of the new media, enabling the Group to maintain stable advertising income.

Management Discussion and Analysis

"on.cc" has extended its reach beyond Hong Kong into the international community. Its influence in Hong Kong, Macao, Taiwan, the mainland China and even the Chinese communities around the world has been increasing. The Group intends to apply the existing strength of "on.cc" to select appropriate partners for the research and development of various online products to capture business opportunities, with a view to diversifying its business and increasing the Group's revenue. "on.cc" has opened an office in Taiwan and plans to set up more offices in different overseas Chinese communities. It aims to become the largest information website for Chinese people worldwide. The Group is developing "on.cc" as another core business and is preparing for separating it as an independently operated electronic media. "ontv" will launch more independently produced quality programmes, creating new direction for online television.

While developing the new media business, the Group will implement strict cost control to maintain profitability. Currently, staff costs account for the largest portion of the Group's expenses. The Group will review its staffing from time to time and apply state-of-the-art technologies to increase automation, with a view to improving the cost efficiency of its businesses. The Group will continue to seek suitable property investment opportunities, so as to create more attractive returns for the Shareholders.

EXPOSURE TO FOREIGN EXCHANGE

The Group mainly operates in Hong Kong and most of the Group's transactions are denominated in Hong Kong Dollars. The Group is exposed to foreign currency risk on transaction that is in a currency other than the respective functional currency of the Group entities. The currencies giving rise to this risk are primarily Australian Dollars and Renminbi. Currently, the Group does not have foreign currency hedging policy, but the management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure where appropriate.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2014, the Group employed 2,143 employees (2013: 2,165). Remuneration for employees including medical benefits is determined based on industry practice, the performance and working experience of the employees, and the prevailing market conditions. The Group has implemented a training scheme to groom a new generation of journalists.

RETIREMENT BENEFIT SCHEME

Details of the retirement benefit scheme of the Group are shown in note 35 to the financial statements.

On behalf of the Board

Ching-fat MA
Chairman

Hong Kong, 20 June 2014

Directors' Report

Directors of Oriental Press Group Limited ("Director(s)") present their report and the audited consolidated financial statements of Oriental Press Group Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2014 (the "Reporting Year") (the "Financial Statements").

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services. The activities of its principal subsidiaries are set out in note 20 to the Financial Statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Reporting Year and the state of affairs of the Group and the Company as at that date are set out in the Financial Statements on pages 31 to 98 of this annual report of the Company for the Reporting Year ("Annual Report").

The Directors recommend a final dividend of HK3 cents per share of the Company (the "Share") payable to the shareholders of the Company (the "Shareholder(s)"), whose names appear on the Register of Members of the Company on 26 August 2014, which is expected to amount to HK$71,938,000 in aggregate.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group and of the Company during the Reporting Year are set out in note 15 to the Financial Statements.

SHARE CAPITAL

Details of the changes in the share capital of the Company are set out in note 28 to the Financial Statements.

RESERVES

Details of the movements in the reserves of the Group and of the Company during the Reporting Year are set out in the consolidated statement of changes in equity on page 37 of this Annual Report and note 29 to the Financial Statements respectively.

DISTRIBUTABLE RESERVES

Distributable reserves including the proposed dividends of the Company as at 31 March 2014 calculated under section 297 of the new Companies Ordinance amounted to HK$1,147,721,000 (2013: HK$1,062,124,000).

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 99 of this Annual Report.

Directors' Report

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

DONATIONS

During the Reporting Year, the Group made charitable and other donations amounting to approximately HK$42,000.

DIRECTORS

The Directors in office during the Reporting Year and up to the date of this Directors' report were:

Executive Directors

Mr. Ching-fat MA, *BBS*, *Chairman*
Mr. Ching-choi MA, *Vice Chairman*
Mr. Shun-chuen LAM, *Chief Executive Officer*

Non-executive Director

Mr. Dominic LAI

Independent Non-executive Directors

Mr. Yau-nam CHAM
Mr. Ping-wing PAO, *JP*
Mr. Yat-fai LAM

In accordance with Article 103 of the Company's Articles of Association, Mr. Shun-chuen LAM, Mr. Dominic LAI and Mr. Yau-nam CHAM shall retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting ("AGM") of the Company.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the Reporting Year. The Company has adopted most of the recommended best practices stated therein.

AUDIT COMMITTEE

The audit committee of the board of Directors ("Audit Committee") was established in compliance with Rules 3.21 of the Listing Rules on the Stock Exchange. It has reviewed the accounting principles and practices adopted by the Group and this Annual Report. The Audit Committee comprises two independent non-executive Directors and one non-executive Director.

Directors' Report

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors has any interest in a business which competes or is likely to compete with the business of the Group during the Reporting Year.

CONNECTED TRANSACTIONS

During the Reporting Year, the Company did not have any connected transactions which were subject to the requirements of the Listing Rules on the Stock Exchange. Other transactions which were exempt from the Listing Rules on the Stock Exchange requirements are disclosed in note 30 to the Financial Statements.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Reporting Year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

The interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required (a) to be recorded in the register required to be kept by the Company under section 352 of the SFO; or (b) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as at 31 March 2014 were as follows:

Interests in the Company

		Number of ordinary Shares held					
Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests (Long Position)	Note	Percentage of shareholding
Ching-fat MA	Founder of a discretionary trust	–	–	–	1,552,651,284	(i)	64.75%
	Founder of a discretionary trust	–	–	–	95,916,000	(ii)	4.00%
	Beneficiary of a discretionary trust	–	–	–	149,870,000	(iii)	6.25%
Ching-choi MA	Founder of a discretionary trust	–	–	–	149,870,000	(iv)	6.25%
	Beneficiary of a discretionary trust	–	–	–	95,916,000	(v)	4.00%

Notes:

(i) Mr. Ching-fat MA is the founder of Marsun Trust, and Marsun Group Limited, as the trustee of Marsun Trust, indirectly holds the entire issued share capital of Magicway Investment Limited and Ever Holdings Limited. Magicway Investment Limited and Ever Holdings Limited in turn hold 1,222,941,284 Shares and 329,710,000 Shares respectively. Mr. Ching-fat MA, as the founder of Marsun Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of Marsun Trust under the SFO.

(ii) Mr. Ching-fat MA is also the founder of A & N Trust, and Natural Skyline Limited, as the trustee of A & N Trust, holds the entire issued share capital of Prosper Time Trading Limited. Prosper Time Trading Limited in turn holds 95,916,000 Shares. Mr. Ching-fat MA, as the founder of A & N Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of A & N Trust under the SFO.

(iii) Mr. Ching-fat MA is a beneficiary of CF Trust, and China Access (Hong Kong) Limited, as the trustee of CF Trust, holds the entire issued share capital of Perfect Deal Trading Limited. Perfect Deal Trading Limited in turn holds 149,870,000 Shares. Mr. Ching-fat MA, as a beneficiary of CF Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of CF Trust under the SFO.

(iv) Mr. Ching-choi MA is the founder of CF Trust, and China Access (Hong Kong) Limited, as the trustee of CF Trust, holds the entire issued share capital of Perfect Deal Trading Limited. Perfect Deal Trading Limited in turn holds 149,870,000 Shares. Mr. Ching-choi MA, as the founder of CF Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of CF Trust under the SFO.

(v) Mr. Ching-choi MA is a beneficiary of A & N Trust, and Natural Skyline Limited, as the trustee of A & N Trust, holds the entire issued share capital of Prosper Time Trading Limited. Prosper Time Trading Limited in turn holds 95,916,000 Shares. Mr. Ching-choi MA, as a beneficiary of A & N Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of A & N Trust under the SFO.

Other than the holdings disclosed above, no interests or short positions were held or deemed or taken to be held under Part XV of the SFO by any Director or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code or which are required pursuant to section 352 of the SFO to be entered in the register referred to therein as at 31 March 2014.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in note 30 to the Financial Statements, there were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisting at the end of the Reporting Year or at any time during the Reporting Year.

None of the Directors has a service contract with the Company or any of its subsidiaries not terminable by the employing company within one year without payment of compensation (other than statutory compensation).

DISCLOSABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

So far as was known to the Directors and chief executive of the Company, the interests and short positions of any persons (other than a Director or chief executive of the Company) in the Shares and underlying Shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO as at 31 March 2014 were as follows:

Interests in the Company

Name	Capacity	Number of ordinary Shares (Long Position)	Note	Percentage of shareholding
Marsun Group Limited	Trustee	1,552,651,284	(i)	64.75%
Marsun Holdings Limited	Interest of controlled corporations	1,552,651,284	(ii)	64.75%
Magicway Investment Limited	Beneficial owner	1,222,941,284		51.00%
Ever Holdings Limited	Beneficial owner	329,710,000		13.75%
China Access (Hong Kong) Limited	Trustee	149,870,000	(iii)	6.25%
Perfect Deal Trading Limited	Beneficial owner	149,870,000		6.25%
Mui-fong HUNG	Interest of spouse	1,798,437,284	(iv)	75.00%
Maria Lai-chun CHAN	Interest of spouse	245,786,000	(v)	10.25%

Notes:

(i) Marsun Group Limited, as the trustee of Marsun Trust, holds the entire issued share capital of Magicway Investment Limited and Ever Holdings Limited through its wholly-owned subsidiary, Marsun Holdings Limited. Magicway Investment Limited and Ever Holdings Limited in turn hold 1,222,941,284 Shares and 329,710,000 Shares respectively. Marsun Group Limited, as the trustee of Marsun Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of Marsun Trust under the SFO.

(ii) Marsun Holdings Limited holds the entire issued share capital of Magicway Investment Limited and Ever Holdings Limited and is, by virtue of its interest in Magicway Investment Limited and Ever Holdings Limited, deemed to be interested in the same parcel of Shares in which Magicway Investment Limited and Ever Holdings Limited are interested.

(iii) China Access (Hong Kong) Limited, as the trustee of CF Trust, holds the entire issued share capital of Perfect Deal Trading Limited. Perfect Deal Trading Limited in turn holds 149,870,000 Shares. China Access (Hong Kong) Limited, as the trustee of CF Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of CF Trust under the SFO.

(iv) Ms. Mui-fong HUNG, as the spouse of Mr. Ching-fat MA, is deemed to be interested in the same parcel of Shares comprised in the trust assets of Marsun Trust, A & N Trust and CF Trust under the SFO as Mr. Ching-fat MA is the founder of Marsun Trust and A & N Trust and also a beneficiary of CF Trust and a Director.

(v) Ms. Maria Lai-chun CHAN, as the spouse of Mr. Ching-choi MA, is deemed to be interested in the same parcel of Shares comprised in the trust assets of CF Trust and A & N Trust under the SFO as Mr. Ching-choi MA is the founder of CF Trust and also a beneficiary of A & N Trust and a Director.

Save as disclosed above, no other party had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO as at 31 March 2014.

Directors' Report

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this Directors' report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company has maintained the public float as required under the Listing Rules on the Stock Exchange.

MAJOR CUSTOMERS AND SUPPLIERS

For the Reporting Year, the five largest customers of the Group accounted for approximately 50% of the Group's turnover and the percentage of turnover attributable to the Group's largest customer amounted to approximately 23%.

The percentage of purchases attributable to the Group's five largest suppliers is approximately 58% of the Group's total purchases for the Reporting Year and the percentage of purchases attributable to the Group's largest supplier amounted to approximately 13%.

None of the Directors, their associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has an interest in the share capital of any of those customers or suppliers.

AUDITOR

Messrs. HLM & Co., who acted as auditor of the Company for the past three years. On 16 January 2013, Messrs. HLM & Co. changed its name to HLM CPA Limited due to change of entity status from partnership to limited company. The consolidated financial statements for the Reporting Year have been audited by HLM CPA Limited who will retire and seek for re-election at the forthcoming AGM of the Company.

On behalf of the Board

Ching-fat MA
Chairman

20 June 2014

Biographical Details of Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Ching-fat MA, *BBS*, aged 54, was appointed as an executive Director and the Chairman of the board of Directors of the Company (the "Board") on 17 May 2005. Mr. MA is also the chairman of the Executive Committee and Corporate Social Responsibility Committee of the Board. Mr. MA joined the Group in 1985 and was appointed as an executive Director for the period from 11 December 1991 to 4 October 1999. During the period from 20 November 2004 to 17 May 2005, Mr. MA was the President of the Company. Mr. MA graduated from the Department of Journalism, Chu Hai College. Mr. MA is elder brother of Mr. Ching-choi MA and nephew of Mr. Shun-chuen LAM. He is also a director of Magicway Investment Limited and Perfect Deal Trading Limited, all of which has an interest in the Shares which is required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Ching-choi MA, aged 52, was appointed as an executive Director and the Vice Chairman of the Board on 28 September 2005. He assists mainly the Chairman in discharge of his duties. Mr. MA is also a member of the Executive Committee of the Board and the chairman of the Investment Committee of the Board. Mr. MA joined the Group in 1986 and was appointed as an executive Director from 20 February 1995 to 4 October 1999. During the period from 31 August 2002 to 28 September 2005, Mr. MA was a Senior Vice President of the Company. Mr. MA was educated at Dominican College of California, U.S.A., majoring in business administration. Mr. MA is younger brother of Mr. Ching-fat MA, and nephew of Mr. Shun-chuen LAM. He is also a director of Magicway Investment Limited, China Access (Hong Kong) Limited and Perfect Deal Trading Limited, all of which has an interest in the Shares which is required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Shun-chuen LAM, aged 65, has been an executive Director since October 1999 and is currently the Chief Executive Officer of the Company, responsible for the day-to-day management of the Group's business. Mr. LAM is also a member of the Executive Committee and Investment Committee of the Board. He is also a director of most of the subsidiaries of the Company. Mr. LAM joined the Group in 1972 and was in charge of the distribution of the Group's publications. Mr. LAM is uncle of Mr. Ching-fat MA and Mr. Ching-choi MA.

NON-EXECUTIVE DIRECTOR

Mr. Dominic LAI, aged 67, has been a Director since August 1998 and is currently a non-executive Director and a member of the Audit Committee of the Board. He is also a non-executive director of Midas International Holdings Limited and NWS Holdings Limited, both of which are the public companies listed on the Stock Exchange. Mr. LAI is a senior partner of a Hong Kong law firm, Iu, Lai & Li, the legal advisers to the Group. He is a practising solicitor in Hong Kong and has also been admitted as a solicitor in England, Republic of Singapore, and the States of New South Wales and Victoria, Australia.

Biographical Details of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau-nam CHAM, aged 67, has been appointed as an independent non-executive Director since March 2006 and is currently a member of the Corporate Social Responsibility Committee of the Board. Mr. CHAM has over 20 years of experience in the securities industry. Mr. CHAM is a member of Certified General Accountants Association of Canada. He obtained his Bachelor degree in Science from St. Mary's University, Bachelor degree in Engineering (Electrical) from Nova Scotia Technical College and Master degree in Business Administration from University of British Columbia, in Canada. Mr. CHAM is a non-executive director and the chairman of the audit committee of Deswell Industries, Inc., a public company listed on NASDAQ in U.S.A.

Mr. Ping-wing PAO, *JP*, aged 66, has been a Director since July 1987 and is currently an independent non-executive Director and a member of the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Social Responsibility Committee of the Board. He is also an independent non-executive Director of UDL Holdings Limited, Zhuzhou CSR Times Electric Co., Limited, New Environment Energy Holdings Limited, Maoye International Holdings Limited, Soundwill Holdings Limited, HL Technology Group Limited and Sing Lee Software (Group) Limited, all of which are the public companies listed on the Stock Exchange. Mr. PAO was elected as one of the Ten Outstanding Young Persons of Hong Kong in 1982 and one of the Ten Outstanding Young Persons of the World in 1983. He was also an ex-Urban Councillor. In the past years, he has been actively serving on government policy committees and statutory bodies, especially those of town planning, urban renewal, public housing, culture and arts and environment matters. Mr. PAO holds a Master degree of Science in human settlements planning & development.

Mr. Yat-fai LAM, aged 48, has been an independent non-executive Director since September 2004. He is also the chairman of the Audit Committee, Remuneration Committee and Nomination Committee and a member of the Investment Committee of the Board. Mr. LAM is also an independent non-executive director of Tianda Pharmaceuticals Limited, a public company listed on the Stock Exchange. Mr. LAM is a Certified Public Accountant (Practising). He is a fellow member of the Hong Kong Institute of Certified Public Accountants and of the Association of Chartered Certified Accountants. He worked with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu for over 10 years and has over 24 years of experience in auditing, taxation, corporate finance and accounting.

The executive Directors are also senior management members of the Group.

Corporate Governance Report

CORPORATE GOVERNANCE

Oriental Press Group Limited (the "Company") is committed to maintain a high standard of corporate governance practices to safeguard the interests of the shareholders of the Company (the "Shareholders") and enhance the performance of the Company and its subsidiaries (collectively, the "Group"). The Company has adopted and applied a corporate governance policy.

The Company has complied with the code provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the year ended 31 March 2014 (the "Reporting Year"). The Company has adopted most of the recommended best practices stated therein.

BOARD OF DIRECTORS

The board (the "Board") of Directors (the "Director(s)") of the Company is responsible for the leadership and control of the Company and oversees the Group's business, strategic decisions and financial performances. The Board delegates to the management team the day-to-day operations of the Group's business, including the preparation of annual and interim reports, and for implementation of internal control, business strategies and plans developed by the Board.

The Board comprises three executive Directors, one non-executive Director and three independent non-executive Directors. More than one-third of the Board members are independent non-executive Directors and two of them have appropriate accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Board believes that the balance between the number of executive Directors and non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of Shareholders and the Group.

In June 2013, the Board adopted the Board diversity policy (the "Board Diversity Policy") with a view to achieving a sustainable and balanced development of the Company. The Company views the increasing Board diversity as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In determining the composition of the Board, a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service are taken into account in respect of the diversity of the Board. All Board appointments will be based on meritocracy and candidates will be selected based on objective criteria, having due regard for the benefits of diversity of the Board. Final decisions to be made by the Board will be based on each candidate's attributes and contributions to be made to the Board. The nomination committee of the Board (the "Nomination Committee") monitors the implementation of the Board Diversity Policy, reviews the Board Diversity Policy as and when appropriate and recommends any revisions for the Board's approval.

Corporate Governance Report

Each of the independent non-executive Directors has made an annual confirmation of his independence in accordance with the guidelines as set out in Rule 3.13 of the Listing Rules. The Company also considers that all independent non-executive Directors are independent parties since they do not get involved in the daily management of the Company and there are not any relationships or factors which would impair their independence. During the Reporting Year, each non-executive Director entered into a letter of appointment with the Company for a term of three years, subject to retirement by rotation once at least every three years in accordance with the Company's Articles of Association at the Company's annual general meeting (the "AGM"). As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance is no less exacting than the standard set out in the Code.

To the best knowledge of the Company, except for: (i) the relationship between the Directors as disclosed in the "Biographical Details of Directors and Senior Management" of this annual report; and (ii) interests as set out in the sections headed "Directors' and Chief Executive Officer's Interests and Short Positions" and "Disclosable Interests and Short Positions of Shareholders under the SFO", respectively, in the "Directors' Report" of this annual report, there is no other financial, business, family or other material/relevant relationship between the Board members.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman of the Board is Mr. Ching-fat MA while the Chief Executive Officer ("CEO") of the Company is Mr. Shun-chuen LAM. There is a clear division of responsibilities between the Chairman and the CEO, in that the Chairman bears primary responsibilities for the functioning of the Board, by ensuring its effective operation, and ensuring good corporate governance practices and procedures being in place and maintained, while the CEO bears executive responsibility for the management of the day-to-day operations of the Group.

FUNCTIONS OF CORPORATE GOVERNANCE

The Board is responsible for performing the corporate governance duties including:

1. to develop and review the Company's policies and practices on corporate governance;

2. to review and monitor the training and continuous professional development of the Directors and the senior management;

3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

4. to develop, review and monitor the code of conduct applicable to the employees and the Directors; and

5. to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

Corporate Governance Report

BOARD MEETINGS

Regular Board meetings are held at least four times a year by the Company at approximately quarterly intervals. The company secretary of the Company ("Company Secretary") assists the Chairman in preparing agenda for the Board meeting. Notice of convening the meeting shall be issued at least 14 days in advance of the meeting. Agenda for the meeting together with the relevant documents shall be dispatched to the Directors no less than three days prior to the meeting for their review. All Directors were given opportunity to include matters in the agenda that they would like to discuss at the meeting. The Company Secretary shall record matters considered by the Board and maintains the minutes of meetings. Draft minutes of the Board meetings will be circulated to the Directors for their comment within reasonable time after the Board meeting is held and copies of final version of the minutes will also be sent to all Directors for information and records. The Board committees also adopted and followed the foregoing procedures for the Board committee meetings.

Besides the regular Board meetings, all Directors are provided with monthly updates on the Company's performance, position and prospects.

For the Reporting Year, the attendance of the Board meetings, the Board committees' meetings and the AGM are as follows:

Name of Directors	Board Meetings	Audit committee of the Board (the "Audit Committee") Meetings	Remuneration committee of the Board (the "Remuneration Committee") Meetings	Nomination Committee Meetings	AGM
			Meetings attended/held		
* Mr. Ching-fat MA, *BBS*	4/4	–	–	–	1/1
* Mr. Ching-choi MA	4/4	–	–	–	1/1
* Mr. Shun-chuen LAM	4/4	–	–	–	1/1
^ Mr. Dominic LAI	4/4	2/2	–	–	1/1
# Mr. Yau-nam CHAM	4/4	–	–	–	1/1
# Mr. Ping-wing PAO, *JP*	4/4	2/2	2/2	2/2	1/1
# Mr. Yat-fai LAM	4/4	2/2	2/2	2/2	1/1

* *Executive Director*
^ *Non-executive Director*
# *Independent non-executive Director*

During the Reporting Year, the Board convened four meetings and conducted, inter alia, the following activities:

(i) to approve the interim and annual reports, and matters necessary to be considered at the AGM;

(ii) to review the overall performance and financial position of the Group;

(iii) to formulate, consider and adopt the Board Diversity Policy;

(iv) to review and approve the revised written terms of reference of Remuneration Committee;

(v) to review and approve the revised written terms of reference of Nomination Committee; and

(vi) to review and approve the revised the Company's Model Code for Securities Transactions by Directors.

In addition to the Board meetings, the Chairman also held one meeting with non-executive Directors (including independent non-executive Directors) without the presence of executive Directors during the Reporting Year.

SENIOR MANAGEMENT MEMBERS' REMUNERATIONS

Details of the remuneration of the Directors are set out in note 14 to the audited consolidated financial statements of the Group for the Reporting Year (the "Financial Statements"). Pursuant to B.1.5 of the Code, for the Reporting Year, the remuneration range of the senior management members of the Company, who are the executive Directors, is set out below:

Remuneration range (HK$'000)	Number of persons
2,500 to 3,000	1
15,000 to 20,000	2

DIRECTORS' TRAINING

All Directors are encouraged to participate in continuous professional development ("CPD") training to refresh their knowledge and skills. The Company Secretary provides the Directors with updates on latest development in and amendment to the Listing Rules and other relevant legal and regulatory requirements from time to time. During the Reporting Year, the Company also arranged four CPD training courses conducted by the qualified professionals and provided reading materials to the Directors for internal training. Topics of the CPD training courses comprised Directors' responsibilities, corporate governance and compliance related matters, and the new Companies Ordinance. The Directors are required to provide the Company with the details of the CPD training undertaken by them. Based on the details provided by the Directors, the Directors have complied with A.6.5 of the Code in relation to the CPD requirements during the Reporting Year.

The Company received confirmations from the Directors and confirmed that they provided sufficient time and attention to the affairs of the Company during the Reporting Year.

Corporate Governance Report

BOARD COMMITTEES

The Board committees established by the Board have clearly-defined written terms of reference. The independent views and recommendations of these committees ensure proper control of the Company and the continuous achievement of the high standard corporate governance. Each committee is authorised by the Board to investigate any activity and seek any information it requires within its terms of reference. It is also authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if necessary.

Executive Committee

The executive committee of the Company (the "Executive Committee") comprises three executive Directors, Mr. Ching-fat MA, Mr. Ching-choi MA and Mr. Shun-chuen LAM. Mr. Ching-fat MA is the chairman of the Executive Committee.

The principal duties of the Executive Committee are to manage and develop generally the business of the Company and to review the corporate governance policies and make recommendations to the Board.

Audit Committee and Accountability

The Audit Committee comprises two independent non-executive Directors, Mr. Yat-fai LAM and Mr. Ping-wing PAO, and one non-executive Director, Mr. Dominic LAI. Mr. Yat-fai LAM is the chairman of the Audit Committee.

The terms of reference of the Audit Committee were formulated in accordance with the requirements of the Listing Rules and have been published on the websites of the Company and the Stock Exchange respectively. The principal duties of the Audit Committee are to monitor the integrity of the Company's financial statements, reports, accounts and financial controls; review the internal controls and risk management system; and monitor the audit procedures of the external auditor. During the Reporting Year, the Audit Committee discharged its principal duties. The Audit Committee also reviewed the Company's audited financial statements for the year ended 31 March 2013, unaudited interim financial statements for the six months ended 30 September 2013 and the internal control reports.

The Directors acknowledge their responsibility for the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the Group and of the Group's results and cash flow for that period. The Audit Committee has reviewed the accounting principles and practices adopted by the Group with the management. The Directors confirm that the Financial Statements were prepared in accordance with statutory requirements and applicable accounting standards. The Directors confirm that to the best of their knowledge, information and belief, having made all reasonable enquiries, they were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

Remuneration Committee

The Remuneration Committee comprises two independent non-executive Directors, Mr. Yat-fai LAM and Mr. Ping-wing PAO. Mr. Yat-fai LAM is the chairman of the Remuneration Committee.

The principal duties of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management; reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and making recommendations to the Board on the remuneration of non-executive Directors. During the Reporting Year, the Remuneration Committee discharged its principal duties. In addition, the Remuneration Committee reviewed its written terms of reference and recommended the proposed revision of its written terms of reference to the Board. The revised terms of reference of the Remuneration Committee are published on the websites of the Company and the Stock Exchange respectively. The Remuneration Committee also reviewed and developed the remuneration policies of the Directors and made the recommendations to the Board. The Directors' remuneration is determined with reference to their performance, duties with the Company, the Company's prevailing standards for emoluments and the market conditions.

Nomination Committee

The Nomination Committee comprises two independent non-executive Directors, Mr. Yat-fai LAM and Mr. Ping-wing PAO. Mr. Yat-fai LAM is the chairman of the Nomination Committee.

The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board; assessing the independence of the independent non-executive Directors; monitoring the implementation of the Board Diversity Policy, reviewing the Board Diversity Policy as appropriate to ensure its effectiveness and identifying suitable candidate for being a Director and making recommendation to the Board accordingly. During the Reporting Year, the Nomination Committee discharged its principal duties. The Nomination Committee also reviewed its written terms of reference and recommended the proposed revision of its written terms of reference to the Board. The revised terms of reference of the Nomination Committee are published on the websites of the Company and the Stock Exchange respectively.

Investment Committee

The investment committee of the Board (the "Investment Committee") comprises two executive Directors, Mr. Ching-choi MA and Mr. Shun-chuen LAM and one independent non-executive Director, Mr. Yat-fai LAM. Mr. Ching-choi MA is the chairman of the Investment Committee.

The principal duties of the Investment Committee are to enhance the Company's risk management; provide market information, and advise and make recommendations to the Board on the Company's proposed investments which are not related to the core business of the Group.

Corporate Governance Report

Corporate Social Responsibility Committee

The corporate social responsibility committee of the Board (the "CSR Committee") comprises one executive Director, Mr. Ching-fat MA and two independent non-executive Directors, Mr. Yau-nam CHAM and Mr. Ping-wing PAO. Mr. Ching-fat MA is the chairman of the CSR Committee.

The CSR Committee is mainly responsible for developing and reviewing the strategies and policies of the corporate social responsibilities of the Company; and monitoring the Company's corporate governance to ensure the compliance with the legal and regulatory requirements. The CSR Committee is also responsible for preparing the annual Corporate Governance Report and the Environmental, Social and Governance Report to be submitted to the Board for consideration and approval.

INTERNAL CONTROL

The Board delegates the Audit Committee to review and monitor the implementation of the internal control system of the Group to ensure the effective operation of the system. The internal control system helps the Group attain its business objectives, protect the assets from unauthorised uses or disposals, and ensure the maintenance of proper accounting records. It can also provide reliable financial information for internal uses or external dissemination while ensuring the compliance with relevant ordinances and regulations.

Internal Control Environment

The Group has established an organisational structure and a comprehensive reporting system to specify the relevant operating policies and procedures, duties and authorities.

The management is delegated by the Board to enforce the established corporate strategies, policies and contracts and deal with the related issues. The management holds meetings regularly to review the day-to-day operating performance and formulates operating objectives and strategies. Supervisors from all departments shall report the working progress, relay the feedback and discuss the current policies. They shall also enhance the communication and coordination with other departments and improve the quality of their work to attain the business objectives. Operating budgets shall be prepared by the relevant departments and shall be implemented subject to the review by the management. The Group has procedures in place to assess, review and approve the major capital and recurring expenses, and to analyse the discrepancy between the operating results and the budgets and report to the Board on a regular basis.

Internal Audit

The Group has established an internal control group to perform internal audit and carry out other duties related to review or investigation in nature. The internal control group also reviews the internal control measures of the Group, and assesses the sufficiency and effectiveness of the measures and makes recommendations to the management. The scope of audit primarily covers financial control, operating control, compliance of regulations and risk management. The internal control group operates independently and has access to the information necessary to discharge its duties.

The audit duties include:

1. Carrying out regular on-site review and examination of all departments to ensure the proper implementation and preservation of the established policies, operating procedures and maintenance of records of the Group, the adequate protection of assets and the appropriate utilisation of resources.

2. Reviewing the risks or specific concerns suggested by the Audit Committee or the management.

3. Establishing the relevant procedures for the purpose of mitigating the risk of failure to attain business objectives.

The internal control group reports the review findings and recommendations to the management on a regular basis. The reports together with the feedback of the management shall be submitted to the Audit Committee for further discussion and approval before it is submitted to the Board for review.

For the Reporting Year, the Audit Committee and the Board have reviewed the effectiveness of the Group's internal control system and there was no material internal control deficiency that may affect the Shareholders, which has come to the attention of the Audit Committee or the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's Model Code for Directors' securities transactions.

Following specific enquiries by the Company, all Directors have confirmed in writing their compliance with the required standards set out in the Model Code for the Reporting Year.

COMPANY SECRETARY

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary reports to the Chairman and is responsible for advising the Board on governance matter. The Company Secretary confirms that during the Reporting Year, she has taken no less than 15 hours of relevant professional training.

AUDITOR'S REMUNERATION

For the Reporting Year, the external auditor received approximately HK$850,000, being the audit fees in full in relation to the audit services rendered.

CONSTITUTIONAL DOCUMENT

By operation of the new Companies Ordinance, which has become effective since 3 March 2014, the Memorandum of Association of the Company was abolished and the provisions of the Memorandum of Association of the Company, other than the provisions relating to the authorised share capital of the Company and the par value of the Shares which were regarded as deleted, were deemed to be regarded as provisions of the Company's Articles of Association. Save and except for the foregoing, during the Reporting Year, there was no change in the Company's Articles of Association.

SHAREHOLDERS' RIGHTS

Shareholders are encouraged to attend all general meetings of the Company. Shareholders holding not less than 5% of the total voting rights of all Shareholders have rights to call for a general meetings and put forward agenda items for consideration by Shareholders. Shareholders may make such a request together with the proposed agenda items by written or electronic format and send to the Company Secretary. If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may by themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the said date.

In addition, Shareholders representing not less than 2.5% of the total voting rights of all Shareholders or of at least 50 Shareholders, may put forward proposals for consideration at a general meeting. However, all proposals should be submitted by written or electronic format and send to the Company Secretary at least 6 weeks before the meeting or the time at which notice is given of that meeting in the case of a requisition requiring notice of a resolution or 1 week before the meeting in the case of any other requisition. The Company shall send a copy of such notice of resolution or the statement in respect of any other requisition to the Shareholders at the Company's expenses. If, however, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called for a date 6 weeks or less after the copy has been deposited, the copy though not deposited within the time required as referred to above shall be deemed to have been properly deposited for the purposes thereof.

Enquiries may be put to the Board through the Company Secretary by post at Oriental Press Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong or by email to finance@on.cc.

COMMUNICATION WITH SHAREHOLDERS

The Company has developed a Shareholders' communication policy. The policy aims to promote effective communication with Shareholders and other stakeholders and is reviewed on a regular basis. AGMs of the Company are the Company's primary channel for communication with Shareholders. The chairman of the AGMs proposes separate resolutions for each issue to be considered. During the Reporting Year, the chairmen of the Board, Audit Committee, Remuneration Committee and Nomination Committee and external auditor attended the Company's AGM to answer Shareholders' questions. The notice of AGMs and related information will be given to Shareholders at least 20 business days before the meeting. The chairman of the AGMs exercises his power under the Company's Articles of Association to put each proposed resolution to the vote by way of conducting a poll. The rules and procedures of the vote will be clearly explained before it commences at the meeting, and the results will be announced on the respective websites of the Company and the Stock Exchange on the same day.

Environmental, Social and Governance Report

Set up in March 2013, the Corporate Social Responsibility Committee of Oriental Press Group Limited (the "Company") is chaired by Mr. Ching-fat MA, the chairman of the Company, together with its subsidiaries (collectively, the "Group"). The Committee has set relevant objectives and policies in order to make preparation for and manage risks arising from economic, environmental and social development, creating value of sustainable development and fulfilling the Group's corporate social responsibilities.

COMMUNITY

For the period from 1 April 2013 to 31 March 2014 (the "Reporting Year"), the Group has taken an active part in and promoted various activities that contributed to the community. The following is a summary of these activities:

As in previous years, the Group has co-organised the "Panasonic School's Basketball Championship" in May last year. The tournament has become one of the major events among schools. More than 40 schools have participated in the event. In addition to its popularity among schools, the tournament has also received support from celebrities who are enthusiastic in basketball. The tournament attracts more than ten thousand spectators each year, making it a hot event. "Oriental Daily News", "The Sun" and "on.cc" have reported the features and results of the event, in order to promote healthy sports among young people and to encourage more schools to participate in it.

In November, the Group's "Oriental Daily News", "The Sun" and "on.cc" became the media partners of the "New World Cycling Charity Championship 2013" for the consecutive years since 2012, promoting cycling in the community. This year's tournament has expanded in its size. In addition to men's/women's open tournaments, the event also set up 12 groups including male age groups, children's group, team time trial and corporate group, with a view to promoting "sport for all". The inclusion of an all-star team also added to the excitement of the event. "Oriental Daily News", "The Sun" and "on.cc" have provided full support to the event by reporting the latest news, bringing and disseminating messages related to health and charity. The event raised more than HK$350,000.

Environmental protection has become part of the Group's culture. The Group has implemented energy saving, emission reduction and other environmental measures in our working environment. In addition, our colleagues have again participated in "Hong Kong Cleanup" organised by Ecovision Asia during the Reporting Year. On that day, the participants together with the participating artists cleaning Wu Kai Sha Beach. The Group was awarded the Best Team Spirit Gold Award in the event. Both "Oriental Daily News" and "The Sun" reported coverage of this activity, aiming to raise readers' awareness of environmental protection.

In addition, in order to enable young people to understand the media industry and attract them to take up this profession, the Group has organised students from secondary schools and colleges to visit its headquarter over the years, so as to increase students' interest in journalism and identify those who have the potential to become media professionals. Students from a number of schools including Division of Language and Communication of Community College of City University, Hong Kong Taoist Association Tang Hin Memorial Secondary School, St. Mark's School, CUHK FAA Thomas Cheung Secondary School and Yu Chun Keung Memorial College have taken such tour during the Reporting Year. This has helped students to understand the newspaper printing process and state-of-the-art technologies. During the visit, the students asked questions actively, making the activity more constructive.

In addition to the above activities, the Group has also taken the lead in contributing to charity. The Group has organised various fundraising activities through "Oriental Daily News Charitable Fund", which was established in 1985, and "The Sun Charitable Fund", which was established in 1999. All the donations have been applied to meet the needs of local community. With decades of unremitting efforts, the Group has made contribution to the vulnerable groups.

During the Reporting Year, the Group continued to fund all the administrative expenses of "Oriental Daily News Charitable Fund" and "The Sun Charitable Fund". The Group also reserved spaces in the two papers to call for donations for individual cases, providing timely assistance to people in need. The donations raised by the two funds were allocated to individuals in need, for purposes including burial, medical treatment, emergency aid and other special needs.

In December 2013, Lam Ting Him, a 15-month old premature baby boy, had been in the Intensive Care Unit of a hospital for treatment since his birth due to his inability to sustain spontaneous respiration caused by the narrowing of trachea and bronchi. As recommended by his attending physician, the baby was to receive a stent implantation in Taiwan. However, his parents were unable to afford such substantial treatment costs. With the assistance and calls from "Oriental Daily News Charitable Fund" and "The Sun Charitable Fund" through the Group's two newspapers, the case attracted considerable attention from the community. More than HK$740,000 was raised in a few days. Unfortunately, the baby's condition deteriorated quickly and died from heart failure. Having assisted the family of the baby with the funeral, "Oriental Daily News Charitable Fund" and "The Sun Charitable Fund" donated all the money raised to the Neonatal Intensive Care Unit of Kwong Wah Hospital according to the wishes of the family, so as to provide timely support to other children in need.

In addition, the activities organised by the charitable funds of the two newspapers independently or in conjunction with other organisations in the Reporting Year include:

Soup with Love Programme

A little care for a patient lying in bed is more than the best medicine. Initiated by "Oriental Daily News Charitable Fund" since 1992, the programme has been providing long-term inpatients of Haven of Hope Hospital with soup every week and on festivals, by which the patients not only enjoy the tasteful soup but also receive spiritual support. For the past years, the fund has donated nearly HK$1,230,000 to 410,000 beneficiaries.

Rice Donation Programme

Upholding the philosophy of "treating all elders as if they were our own parents", "Oriental Daily News Charitable Fund" has been implementing its "Rice Donation Programme" since 1998. Every month, the fund gives out rice to the beneficiaries through 80 elderly homes and community service organisations throughout Hong Kong to relieve the financial burden of the elderly from low-income families. Through all the years of continuing efforts, the programme has benefited more than 1,136,000 elderly people, giving out a total donation of more than HK$27,630,000. Currently, around 6,000 elderly people receive a bag of rice for free each month. For some elderly people who have difficulty in mobility, the volunteers deliver the rice to their homes regularly.

Social Work Students Bursaries

To pass on the spirit of social workers as a guiding star in the dark for people in need, “Oriental Daily News Charitable Fund” and “The Sun Charitable Fund” have sponsored “Social Work Students Bursaries” for 23 consecutive years. Every year, the programme gives bursaries to outstanding social work students in need of financial assistance, helping them to prepare themselves for helping the needy with their expertise after graduation. During the Reporting Year, 92 students received bursaries amounting to a total sum of HK$1,335,000 under the programme. Since its establishment, the programme has allocated over HK$12,244,000, benefiting more than 1,091 students.

Rice Dumpling with Love Donation

To enable poverty-stricken elderly people and low-income families to enjoy the festivity of the Dragon Boat Festival, “Oriental Daily News Charitable Fund” and “The Sun Charitable Fund” worked with CCT Telecom Holdings Charitable Foundation again to give out rice dumplings before the Dragon Boat Festival in 2013. Rice dumplings were distributed to elderly people and low-income families through 72 community service organisations and elderly homes, benefiting a record high of more than 21,000 people.

Fun Tour to Ocean Park

“Oriental Daily News Charitable Fund” and “The Sun Charitable Fund” joined hands with Ocean Park to organise “Fun Tour to Ocean Park”, giving out 1,500 free tickets to Ocean Park through a number of organisations in June 2013. Through the activity, parents of low-income families had the opportunity to enjoy a joyful tour with their children, benefiting hundreds of families.

Hong Thai Great Achievers Tour 2013

“Great Achievers Tour 2013”, which was organised by Hong Thai Study Tour Centre of Hong Thai Travel Services with the support from “The Sun Charitable Fund”, helped outstanding students to expand their horizons through practical experience. The fund selected outstanding senior secondary students from poverty-stricken families in Hong Kong to join “Sabah Eco Tour” from 4 to 7 August, with the theme of ecological conservation, allowing the students to explore and experience the local ecological conservation works personally and have real experience of learning through traveling.

Book with Love Scheme

Students are the future pillars of the society, “The Sun Charitable Fund” has been organising the “Book with Love Scheme” since 2000, providing outstanding students from poverty-stricken families with new textbooks for new school years, thereby encouraging needy students as well as relieving the financial burden of their families. In 2013, the fund held the “Book with Love Scheme” jointly with Henderson Warmth Foundation again, and held a book donation ceremony on 17 August, reaching a record high of involving a textbook expense of more than HK$930,000 and benefiting 322 students. Thanks to the generous support of numerous kind-hearted people for more than a decade, the scheme has sponsored a total sum of over HK$6,700,000 and benefited nearly 3,200 students, many of whom have made accomplishments in their learning and started their careers after graduation, contributing to the society.

Mooncakes as a Token of Love

Mid-Autumn Festival is a Chinese traditional festival. "Oriental Daily News Charitable Fund" has been holding the mooncakes distribution activity since 1994, presenting its care to the elderly on each Mid-Autumn Festival, so that the elderly can enjoy the festivity of the traditional festival. On the Mid-Autumn Festival in 2013, the fund worked with CCT Telecom Holdings Charitable Foundation again to distribute mooncakes to more than 23,000 elderly people through 98 community service organisations and elderly homes.

"Everything Is Beautiful Because of You" Age-Friendly Community Building Programme

In October 2013, "Oriental Daily News Charitable Fund" allocated HK$28,000 to True Light Villa District Elderly Community Centre of Christian Family Service Centre for an eight-month initiative of "Everything Is Beautiful Because of You" Age-Friendly Community Building Programme. In addition to providing elderly volunteers with training courses, the programme helped to find volunteers for elders in need. The volunteers helped the elders to develop their own social network and solve problems in their daily life through regular visits and phone calls, etc. The programme also covered dementia patients, helping to build a support network.

Warmth Giving Programme

"Oriental Daily News Charitable Fund" has been holding this activity since 1996, presenting useful gift packages to more than 10,000 elderly citizens and poverty-stricken families each year, relieving their financial burden. In December 2013, "Oriental Daily News Charitable Fund" and "The Sun Charitable Fund" joined hands with Henderson Warmth Foundation again to give out 12,000 gift packages to the elderly and low-income families through community service organisations and elderly homes.

As of 31 December 2013, "Oriental Daily News Charitable Fund" has received donations amounting to approximately HK$506,670,000 in aggregate from a total 733,709 donors and provided assistance to a total of 1,664,197 beneficiaries in 23,041 cases. The aggregate allocations amounted to more than HK$474,800,000. As of 31 December 2013, "The Sun Charitable Fund" has received donations amounting to approximately HK$24,900,000 in aggregate from a total of 31,408 donors and provided assistance to a total of 209,408 beneficiaries in 4,929 cases. The aggregate allocations amounted to approximately HK$21,910,000.

Through the above activities, the Group has been helping people in need and promoting community activities, thereby performing its corporate social responsibilities and contributing to the community.

Independent Auditor's Report

恒健會計師行有限公司
HLM CPA LIMITED
Certified Public Accountants

Room 305, Arion Commercial Centre
2-12 Queen's Road West, Hong Kong
香港皇后大道西2-12號聯發商業中心305室
Tel 電話: (852) 3103 6980
Fax 傳真: (852) 3104 0170
E-mail 電郵: info@hlm.com.hk

To the members of Oriental Press Group Limited
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Oriental Press Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 98, which comprise the consolidated and company statement of financial position as at 31 March 2014, and the consolidated statement of profit or loss and other 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 80 of Schedule 11 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. 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.

Independent Auditor's Report

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

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

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 2014 and of the Group's profit and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

HLM CPA Limited
Certified Public Accountants
Ng Fai Fiona
Practicing Certificate Number P4986

Hong Kong, 20 June 2014

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
Revenue	5	**1,436,486**	1,457,461
Other income	5	**40,526**	67,767
Raw materials and consumables used		**(367,826)**	(452,728)
Staff costs including directors' emoluments	7	**(710,490)**	(679,228)
Depreciation		**(74,485)**	(67,065)
Other operating expenses		**(205,931)**	(185,613)
Net surplus on revaluation of property, plant and equipment	15	**–**	74,930
Fair value adjustments on investment properties		**9,370**	(12,951)
Net gain on disposal of property, plant and equipment		**26**	346
Profit from operations	8	**127,676**	202,919
Finance costs	9	**(419)**	(528)
Profit before tax		**127,257**	202,391
Income tax expense	10	**(37,056)**	(17,944)
Profit for the year		**90,201**	184,447
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
– Surplus on revaluation of building		**44,273**	56,364
– Deferred tax liabilities arising on revaluation of building		**(4,290)**	(9,300)
		39,983	47,064
Items that may be reclassified subsequently to profit or loss:			
– Exchange (loss)/gain on translation of financial statements of foreign operations		**(7,062)**	4,855
Other comprehensive income for the year, net of tax		**32,921**	51,919
Total comprehensive income for the year		**123,122**	236,366
Profit for the year attributable to:			
Owners of the Company	11	**90,361**	182,910
Non-controlling interests		**(160)**	1,537
		90,201	184,447
Total comprehensive income attributable to:			
Owners of the Company		**123,526**	234,797
Non-controlling interests		**(404)**	1,569
		123,122	236,366
Earnings per share for profit attributable to owners of the Company	13		
– Basic		**HK3.77 cents**	HK7.63 cents
– Diluted		**HK3.77 cents**	HK7.63 cents

Consolidated Statement of Financial Position

As at 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	15	**915,488**	906,236
Leasehold land	16	**25,996**	26,784
Investment properties	17	**216,616**	234,206
Available-for-sale financial asset	18	**4,745**	4,745
Deferred tax assets	19	**37,984**	51,673
		1,200,829	1,223,644
Current assets			
Inventories	21	**70,169**	113,778
Trade receivables	22	**198,964**	248,813
Other debtors, deposits and prepayments	23	**20,265**	18,613
Taxation recoverable		**1,759**	13,326
Cash and bank balances	24	**1,741,560**	1,601,803
		2,032,717	1,996,333
Current liabilities			
Trade payables	25	**31,420**	39,355
Other creditors, accruals and deposits received	26	**153,611**	121,068
Taxation payable		**12,070**	7,483
Borrowings	27	**8,577**	8,899
		205,678	176,805
Net current assets		**1,827,039**	1,819,528
Total assets less current liabilities		**3,027,868**	3,043,172

Consolidated Statement of Financial Position

As at 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
Non-current liabilities			
Borrowings	27	**4,356**	1,844
Deferred tax liabilities	19	**98,813**	95,875
		103,169	97,719
Net assets		**2,924,699**	2,945,453
EQUITY			
Equity attributable to owners of the Company			
Share capital	28	**1,413,964**	599,479
Reserves		**1,508,569**	2,343,404
		2,922,533	2,942,883
Non-controlling interests		**2,166**	2,570
Total equity		**2,924,699**	2,945,453

Ching-fat MA
Director

Ching-choi MA
Director

Statement of Financial Position

As at 31 March 2014

	Notes	2014 HK$'000	2013 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*15*	**5,877**	3,719
Available-for-sale financial asset	*18*	**4,745**	4,745
Investment in subsidiaries	*20(a)*	**1**	1
		10,623	8,465
Current assets			
Other debtors, deposit and prepayments	*23*	**888**	1,888
Amounts due from subsidiaries	*20(b)*	**2,558,635**	2,475,099
Cash and bank balances	*24*	**1,721**	1,740
		2,561,244	2,478,727
Current liabilities			
Trade payables	*25*	**2,543**	1,684
Other creditors, accruals and deposits received	*26*	**6,490**	6,194
Amounts due to subsidiaries	*20(b)*	**95**	76
Taxation payable		**423**	2,745
		9,551	10,699
Net current assets		**2,551,693**	2,468,028
Total assets less current liabilities		**2,562,316**	2,476,493
Non-current liabilities			
Deferred tax liabilities	*19*	**631**	405
Net assets		**2,561,685**	2,476,088
EQUITY			
Share capital	*28*	**1,413,964**	599,479
Reserves	*29*	**1,147,721**	1,876,609
Total equity		**2,561,685**	2,476,088

Ching-fat MA
Director

Ching-choi MA
Director

Consolidated Statement of Cash Flows

For the year ended 31 March 2014

	Note	2014 HK$'000	2013 HK$'000
Cash flows from operating activities			
Profit before tax		**127,257**	202,391
Adjustments for:			
Interest income		**(10,297)**	(19,601)
Interest expenses		**419**	528
Bad debts		**348**	–
Impairment losses on trade receivables		**228**	724
Depreciation		**74,485**	67,065
Net exchange loss/(gain)		**26,973**	(2,177)
Amortisation of leasehold land		**788**	788
Net surplus on revaluation of property, plant and equipment		**–**	(74,930)
Fair value adjustments on investment properties		**(9,370)**	12,951
Net gain on disposal of property, plant and equipment		**(26)**	(346)
Operating profit before working capital changes		**210,805**	187,393
Decrease in inventories		**33,405**	36,157
Decrease/(increase) in trade receivables		**49,273**	(16,953)
(Increase)/decrease in other debtors, deposits and prepayments		**(4,889)**	13,744
Decrease in trade payables		**(7,935)**	(15,377)
Increase/(decrease) in other creditors, accruals and deposits received		**32,543**	(5,254)
Cash generated from operations		**313,202**	199,710
Income tax paid		**(25,364)**	(21,662)
Income tax refunded		**12,568**	19,820
Interest paid		**(419)**	(528)
Net cash generated from operating activities		**299,987**	197,340

Consolidated Statement of Cash Flows

For the year ended 31 March 2014

	Note	2014 HK$'000	2013 HK$'000
Cash flows from investing activities			
Purchases of property, plant and equipment		**(27,906)**	(37,356)
Additions to investment properties		**(34)**	(43,949)
Net proceeds from disposal of property, plant and equipment		**5,395**	452
Interest received		**10,297**	19,601
Net cash used in investing activities		**(12,248)**	(61,252)
Cash flows from financing activities			
Dividends paid		**(143,876)**	(167,854)
Repayment of obligations under finance leases		**(1,337)**	(1,327)
Net cash used in financing activities		**(145,213)**	(169,181)
Net increase/(decrease) in cash and bank balances		**142,526**	(33,093)
Cash and bank balances at 1 April		**1,601,803**	1,629,615
Effect of foreign exchange rate changes		**(2,769)**	5,281
Cash and bank balances at 31 March	*24*	**1,741,560**	1,601,803

Consolidated Statement of Changes in Equity

For the year ended 31 March 2014

	Equity attributable to owners of the Company								
	Share capital HK$'000	Share premium HK$'000 *(Note)*	Exchange reserve HK$'000 *(Note)*	Properties revaluation reserve HK$'000 *(Note)*	Retained profits HK$'000 *(Note)*	Proposed dividend HK$'000 *(Note)*	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2012	599,479	814,485	29,149	9,700	1,351,190	71,937	2,875,940	1,001	2,876,941
2012 final dividend paid	–	–	–	–	–	(47,958)	(47,958)	–	(47,958)
2012 special dividend paid	–	–	–	–	–	(23,979)	(23,979)	–	(23,979)
2013 interim dividend paid	–	–	–	–	(47,958)	–	(47,958)	–	(47,958)
2013 special dividend paid	–	–	–	–	(47,959)	–	(47,959)	–	(47,959)
Transactions with owners	–	–	–	–	(95,917)	(71,937)	(167,854)	–	(167,854)
Profit for the year	–	–	–	–	182,910	–	182,910	1,537	184,447
Other comprehensive income									
– Surplus on revaluation of building	–	–	–	56,364	–	–	56,364	–	56,364
– Deferred tax liability arising on revaluation of building	–	–	–	(9,300)	–	–	(9,300)	–	(9,300)
– Release of property revaluation reserve upon depreciation of leasehold building	–	–	–	(5,404)	5,404	–	–	–	–
– Exchange gain on translation of financial statements of foreign operations	–	–	4,823	–	–	–	4,823	32	4,855
Total comprehensive income for the year	–	–	4,823	41,660	188,314	–	234,797	1,569	236,366
Proposed 2013 final dividend *(Note 12)*	–	–	–	–	(47,959)	47,959	–	–	–
Proposed 2013 special dividend *(Note 12)*	–	–	–	–	(23,979)	23,979	–	–	–
At 31 March 2013 and 1 April 2013	**599,479**	**814,485**	**33,972**	**51,360**	**1,371,649**	**71,938**	**2,942,883**	**2,570**	**2,945,453**
2013 final dividend paid	**–**	**–**	**–**	**–**	**–**	**(47,959)**	**(47,959)**	**–**	**(47,959)**
2013 special dividend paid	**–**	**–**	**–**	**–**	**–**	**(23,979)**	**(23,979)**	**–**	**(23,979)**
2014 interim dividend paid	**–**	**–**	**–**	**–**	**(23,979)**	**–**	**(23,979)**	**–**	**(23,979)**
2014 special dividend paid	**–**	**–**	**–**	**–**	**(47,959)**	**–**	**(47,959)**	**–**	**(47,959)**
Transactions with owners	**–**	**–**	**–**	**–**	**(71,938)**	**(71,938)**	**(143,876)**	**–**	**(143,876)**
Profit for the year	**–**	**–**	**–**	**–**	**90,361**	**–**	**90,361**	**(160)**	**90,201**
Other comprehensive income									
– Surplus on revaluation of building	**–**	**–**	**–**	**44,273**	**–**	**–**	**44,273**	**–**	**44,273**
– Deferred tax liability arising on revaluation of building	**–**	**–**	**–**	**(4,290)**	**–**	**–**	**(4,290)**	**–**	**(4,290)**
– Release of property revaluation reserve upon depreciation of leasehold building	**–**	**–**	**–**	**(6,389)**	**6,389**	**–**	**–**	**–**	**–**
– Exchange loss on translation of financial statements of foreign operations	**–**	**–**	**(6,818)**	**–**	**–**	**–**	**(6,818)**	**(244)**	**(7,062)**
Total comprehensive income for the year	**–**	**–**	**(6,818)**	**33,594**	**96,750**	**–**	**123,526**	**(404)**	**123,122**
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	**814,485**	**(814,485)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Proposed 2014 final dividend *(Note 12)*	**–**	**–**	**–**	**–**	**(71,938)**	**71,938**	**–**	**–**	**–**
At 31 March 2014	**1,413,964**	**–**	**27,154**	**84,954**	**1,324,523**	**71,938**	**2,922,533**	**2,166**	**2,924,699**

Note: These reserve accounts comprise the consolidated reserves of HK$1,508,569,000 (2013: HK$2,343,404,000) in the consolidated statement of financial position of the Group.

Notes to the Financial Statements

For the year ended 31 March 2014

1. GENERAL INFORMATION

Oriental Press Group Limited (the "Company") is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Oriental Press Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong and, its principal place of business is in Hong Kong. The Company's shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Company are investment holding and provision of corporate management services. The principal activities and other particulars of its subsidiaries are set out in note 20(a) to the financial statements.

The financial statements for the year ended 31 March 2014 were approved and authorised for issue by the Board of Directors on 20 June 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial statements on pages 31 to 98 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance.

2.2 Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group's financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain properties, which are stated at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Basis of preparation *(Continued)*

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Basis of consolidation *(Continued)*

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Basis of consolidation *(Continued)*

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.4 Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss in the statement of financial position of the Company.

2.5 Foreign currency translation

The consolidated financial statements are presented in Hong Kong Dollars (HK$), which is also the Company's functional and the Group's presentation currency.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see the accounting policies below); and

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.5 Foreign currency translation *(Continued)*

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

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

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.6 Property, plant and equipment

Leasehold building is stated at revalued amounts, being fair value at the date of revaluation less subsequent accumulated depreciation and any subsequent impairment losses. Fair value is determined in appraisals by external professional valuers with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Property, plant and equipment *(Continued)*

Any surplus arising on revaluation of leasehold building is recognised in other comprehensive income and is accumulated in the properties revaluation reserve in equity, unless the carrying amount of that asset has previously suffered a revaluation decrease or impairment loss as described in note 2.18. To the extent that any decrease has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase dealt with in other comprehensive income. A decrease in net carrying amount of leasehold building arising on revaluations or impairment testing is recognised in other comprehensive income to the extent of the revaluation surplus in the properties revaluation reserve relating to the same asset and the remaining decrease is recognised in profit or loss.

Property, plant and equipment including buildings and leasehold land held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at cost or fair value, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost or fair value of assets less their residual values over their useful life, using the straight-line method, at the following rates per annum:

Leasehold building	Over the lease terms
Plant, machinery and printing equipment	5.0%–33.3%
Furniture, fixtures and equipment	20.0%–33.3%
Leasehold improvement	20%
Motor vehicles	18.8%–25.0%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting report, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful life on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.7 Leasehold land

Upfront payments made to acquire land held under an operating lease are stated at costs less accumulated amortisation and any accumulated impairment losses. The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 2.14. Amortisation is calculated on a straight line basis over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.8 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.9 Financial assets

The Group's accounting policies for financial assets other than investments in subsidiaries are set out below.

Financial assets are classified into the categories of loans and receivables and available-for-sale financial assets. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at the end of each reporting period.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At the end of the each reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial assets.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

(ii) Available-for-sale financial assets

Available-for-sale financial asset comprises club membership. Non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets are also classified as available-for-sale financial assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.9 Financial assets *(Continued)*

(ii) Available-for-sale financial assets (Continued)

All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value excluding any dividend and interest income is recognised directly in other comprehensive income and accumulated separately in the available-for-sale financial assets revaluation reserve in equity, except for impairment losses and foreign exchange gains and losses on monetary assets, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity would be recognised in profit or loss. Interest calculated using the effective interest method is recognised in profit or loss.

For available-for-sale assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the each reporting period subsequent to initial recognition.

Impairment of financial assets

At the end of the each reporting period, financial assets are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial asset includes observable data that comes to the attention of the Group about one or more of the following loss events:

– significant financial difficulty of the debtor;

– a breach of contract, such as a default or delinquency in interest or principal payments;

– it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;

– significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor;

– a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost; and

– the disappearance of an active market for financial asset because of financial difficulties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.9 Financial assets *(Continued)*

Impairment of financial assets (Continued)

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If any such evidence exists, the impairment loss is measured and recognised as follows:

(i) Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables has been incurred, 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 (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in 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, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

(ii) Available-for-sale financial assets

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, 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, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.9 Financial assets *(Continued)*

Impairment of financial assets (Continued)

(iii) Financial assets carried at cost

The amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

2.10 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

2.11 Cash and bank balances

Cash and bank balances represent cash at banks and in hand, time deposits with banks and other financial institutions, and short-term liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, having been within three months of maturity at acquisition. For the purpose of the consolidated statement of cash flows, bank overdrafts or bank loans, if any, which are repayable on demand and form an integral part of an enterprise's cash managements are also included as component of cash and cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.12 Financial liabilities

The Group's financial liabilities include borrowings, trade and bill payables, other creditors, accruals and deposit received. They are included in line items in the consolidated statement of financial position as borrowings under current or non-current liabilities, trade and bill payables or other creditors, accruals and deposits received.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in profit or loss. Those financial liabilities are subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Borrowings

Borrowings (except for finance lease liabilities) are recognised initially at fair value, net of transaction costs incurred. Borrowings (except for finance lease liabilities) are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Included in the borrowings, finance lease liabilities are measured at initial value less capital element of lease repayment as set out in note 2.14.

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

Trade payables, other creditors and accruals

Trade payables, other creditors and accruals are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.13 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group or the Company issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group or the Company under the guarantee and the amount of that claim on the Group or the Company is expected to exceed the current carrying amount i.e. the amount initially recognised less accumulated amortisation, where appropriate.

2.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.14 Leases *(Continued)*

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from leased asset are consumed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.15 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at the end of the each reporting period and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events that are not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

2.16 Share capital

Ordinary shares are classified as equity.

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services, net of rebates and discounts and after elimination of sales and services rendered within the Group.

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably as follows:

(i) Revenue from sales of newspapers to distributors or customers is recognised when the products are delivered and title has passed.

(ii) Advertising income is recognised when the relevant advertisement is published.

(iii) Provision of printing services is recognised upon provision of the services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.17 Revenue recognition *(Continued)*

(iv) Restaurant operation income is recognised upon the sale of goods.

(v) Rental income receivable under operating leases is recognised as revenue in profit or loss on a straight-line basis over the periods covered by the lease terms. Lease incentives granted are recognised as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(vi) Interest income is accured on a time basis by reference to the principle outstanding and at the effective interest method.

(vii) Internet subscription income is recognised upon provision of the services.

(viii) Internet advertising income is recognised on a straight-line basis over the period of the relevant advertisement is published.

(ix) License fee income from hotel property is recognised on an accrual basis in accordance with the substance of the relevant agreements.

2.18 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Impairment of tangible and intangible assets other than goodwill *(Continued)*

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.19 Employee benefits

Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under the MPF Scheme are limited to the fixed percentage contributions payable.

Short-term employee benefits

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

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Long service payments

Employees who have completed at least five years of services with the Group are entitled to a long service payment. The Group's net obligations in respect of long service payments are the amounts of future benefits that employees have earned in return for their service in the current and prior periods, calculated in accordance with the applicable laws in Hong Kong.

2.20 Borrowing costs

All borrowing costs are expensed as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Taxation *(Continued)*

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.22 Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

(i) has control or joint control of the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group; or

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Related parties *(Continued)*

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a); or

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

2.23 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors, being the chief operating decision makers, for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product and service lines. The Group has identified only one reportable segment, the publication of newspapers.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRSs, except the corporate income and expenses which are not directly attributable to the business activities of any operating segment, are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but investments in available-for-sale financial assets.

3. APPLICATION OF NEW OR AMENDED HKFRSs

In the current year, the Group has adopted the following amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are or have become effective for the Group's financial year beginning on 1 April 2013.

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

HKFRS 13 *Fair Value Measurement*

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In addition, specific transactional provisions were given to entities such that they need not apply the disclosure measurement set out in the standard in comparative information provided for periods before the initial application of the standard. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2013 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

3. APPLICATION OF NEW OR AMENDED HKFRSs *(Continued)*

HKAS 1 (Amendments): Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to HKAS 1 Presentation of Items of Other Comprehensive Income. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, the 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

The adoption of the new or revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 March 2014 and which have not been adopted in these financial statements.

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[2]
HKFRS 9	Financial Instruments[3]
HKFRS 14	Regulatory Deferral Accounts[5]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transitional Disclosures[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKFRS 11	Accounting for Acquisition of Interests in Joint Operations[6]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[6]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK (IFRIC) – Int 21	Levies[1]

3. APPLICATION OF NEW OR AMENDED HKFRSs *(Continued)*

Notes:

[1] Effective for annual periods beginning on or after 1 January 2014 with earlier application permitted
[2] Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted
[3] Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised
[4] Effective for annual periods beginning on or after 1 July 2014, with limited exceptions
[5] Effective for first annual HKFRS financial statements beginning on or after 1 January 2016
[6] Effective for annual periods beginning on or after 1 January 2016

The Group is in the process of making an assessment of what the impact of these new and revised HKFRSs is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements of the Group.

In addition, the requirements of Part 9, "Accounts and Audit", of the new Hong Kong Companies Ordinance (Cap. 622) come into operation from the Company's first financial year commencing after 3 March 2014 (that is, the Company's financial year which began on 1 April 2014) in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of the expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9. So far it has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future on an ongoing basis. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Critical judgements in applying accounting policies *(Continued)*

(i) Estimated fair value of leasehold building and investment properties (collectively as "Building and Properties")

The Building and Properties of the Group were stated at fair value in accordance with the accounting policy stated in notes 2.6 and 2.8. The fair value of the Building and Properties are determined by a firm of independently qualified professional valuers and the fair value of Building and Properties as at respective year end are set out in notes 15 and 17. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

In making the estimation, consideration has been given to assumptions that are mainly based on market condition exist at the end of the reporting period and appropriate capitalisation rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

(ii) Depreciation

The Group depreciates the property, plant and equipment on a straight-line basis over the estimated useful lives as mentioned in note 2.6, starting from the date on which the assets are placed into productive use. The estimated useful lives reflect the management's estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

(iii) Impairment of receivables

The Group's management assesses the collectability of receivables. This estimate is based on the credit history of its customers and current market conditions. Management reassesses the impairment of receivables at the end of the each reporting period. Details of the assessment are set out in note 22.

(iv) Provision for long service payment

The Group's 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 the reporting period. The payments due are dependent on future events and recent payment experience may be not indicative of future payments. Any increase or decrease in the provision would affect profit or loss in future years.

5. REVENUE AND TURNOVER

Revenue from the Group's principal activities, which is also the Group's turnover, represents total invoiced value of goods supplied, lease income from operating leases and income from provision of services. Revenue recognised during the year is as follows:

	2014	2013
	HK$'000	*HK$'000*
Publication of newspapers	**1,365,724**	1,392,105
Internet subscription and advertising income	**47,144**	40,759
Rental income from investment properties	**6,236**	6,607
License fee income from hotel property	**7,312**	8,002
Income from restaurant operation	**10,070**	9,988
	1,436,486	1,457,461

	2014	2013
	HK$'000	*HK$'000*
Included in other income are:		
Interest earned on bank deposits	**10,297**	19,601
Sales of scrap materials	**6,726**	7,926
Forfeited deposit from the sale of hotel property	**–**	13,241

6. SEGMENT INFORMATION

Based on the regular internal financial information reported to the Group's executive Directors, being the chief operating decision makers, for their decision about resources allocation to the Group's business components and review of these components' performance, the Group has identified only one reportable operating segment, the publication of newspapers (including internet subscription and advertising income). The revenues of other operating segments include rental income from investment properties, license fee income from hotel property and income from restaurant operation.

6. SEGMENT INFORMATION *(Continued)*

Reportable segment revenue represented turnover of the Group in the consolidated statement of profit or loss and other comprehensive income. Segment profit or loss represents the profit earned by or loss from each segment without allocation of Directors' emoluments, interest income, sundry income and finance costs. Reconciliation between the reportable segment profit or loss to the Group's profit before income tax is presented below:

	Publication of newspapers		All other segments		Total	
	2014	2013	2014	2013	2014	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment revenue from external customers	**1,412,868**	1,432,864	**23,618**	24,597	1,436,486	1,457,461
Reportable segment profit/(loss)	**129,358**	202,307	**8,650**	(13,867)	138,008	188,440
Unallocated corporate income					**28,350**	52,980
Unallocated corporate expenses					**(39,101)**	(39,029)
Profit before tax					**127,257**	202,391
Other information						
Depreciation and amortisation	**(74,567)**	(66,910)	**(706)**	(943)	**(75,273)**	(67,853)
Net surplus on revaluation of property, plant and equipment	**44,273**	131,294	**–**	–	**44,273**	131,294
Fair value adjustments on investment properties	**–**	–	**9,370**	(12,951)	**9,370**	(12,951)
Additions to non-current assets (Property, plant and equipment & investment properties) during the year	**42,494**	34,621	**3,345**	49,569	**45,839**	84,190

6. SEGMENT INFORMATION *(Continued)*

Reportable segment assets and liabilities

	Publication of newspapers		All other segments		Unallocated		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
ASSETS								
Segment assets	**1,239,445**	1,341,461	**247,796**	271,968	**–**	–	**1,487,241**	1,613,429
Available-for-sale financial asset	**–**	–	**–**	–	**4,745**	4,745	**4,745**	4,745
Cash and bank balances	**–**	–	**–**	–	**1,741,560**	1,601,803	**1,741,560**	1,601,803
Consolidated total assets	**1,239,445**	1,341,461	**247,796**	271,968	**1,746,305**	1,606,548	**3,233,546**	3,219,977
LIABILITIES								
Segment liabilities	**299,674**	264,393	**9,173**	10,131	**–**	–	**308,847**	274,524

The Group's revenues from external customers and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (country of domicile)	**1,422,938**	1,442,852	**936,423**	924,520
Australia	**13,548**	14,609	**221,677**	242,706
	1,436,486	1,457,461	**1,158,100**	1,167,226

The geographical location of customers is determined based on the location in which the services were provided or the goods delivered. The geographical location of the non-current assets (other than financial instruments and deferred tax assets) is determined based on the physical location of the assets. For the purpose of presenting geographical location of the Group's revenues from external customers and the Group's non-current assets (other than financial instruments and deferred tax assets), country of domicile is determined by reference to the country where the majority of the Company's subsidiaries operate.

6. SEGMENT INFORMATION *(Continued)*

During the year, HK$527,443,000 (2013: HK$506,808,000) out of the Group's revenue of HK$1,436,486,000 was contributed by two (2013: two) customers. No other single customer contributed 10% or more to the Group's revenue for both 2014 and 2013.

7. STAFF COSTS INCLUDING DIRECTORS' EMOLUMENTS

	2014	2013
	HK$'000	*HK$'000*
Wages and salaries	**680,261**	654,759
Long service payments	**4,560**	–
Termination benefits	**1,593**	1,304
Pension costs – defined contribution plans	**24,076**	23,165
	710,490	679,228

8. PROFIT FROM OPERATIONS

	2014	2013
	HK$'000	*HK$'000*
Profit from operations is arrived at after charging/(crediting):		
Auditor's remuneration	**1,263**	1,203
Cost of inventories recognised as expense	**367,826**	452,728
Bad debts	**348**	–
Impairment losses on trade receivables	**228**	724
Depreciation:		
– Owned assets	**72,712**	66,406
– Leased assets	**1,773**	659
Amortisation of leasehold land	**788**	788
Net exchange loss/(gain)	**26,973**	(2,177)
Net gain on disposal of property, plant and equipment	**(26)**	(346)
Outgoings in respect of investment properties (excluding hotel property) that generated rental income during the year	**1,047**	1,239
Operating lease charges in respect of buildings	**8,125**	6,616
Rental income from investment properties (excluding hotel property) less outgoings	**(5,189)**	(5,368)

9. FINANCE COSTS

	2014	2013
	HK$'000	*HK$'000*
Interest charges on borrowings wholly repayable within five years:		
Bank overdrafts	**–**	4
Other loan	**290**	328
Finance leases	**129**	196
	419	528

10. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% (2013: 16.5%) on the estimated assessable profit for the year.

Taxation on overseas 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.

	2014	2013
	HK$'000	*HK$'000*
Current tax		
– Hong Kong Profits Tax	**26,473**	17,316
– Overseas Income Tax	**826**	–
	27,299	17,316
Under/(over) provision in prior year:		
– Hong Kong	**(25)**	(130)
– Overseas	**1,680**	–
	1,655	(130)
Deferred taxation *(Note 19)*		
– Current year	**8,102**	758
	37,056	17,944

10. INCOME TAX EXPENSE *(Continued)*

The tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2014	2013
	HK$'000	*HK$'000*
Profit before tax	**127,257**	202,391
Tax at the domestic income tax rate of 16.5% (2013:16.5%) *(Note)*	**20,997**	33,394
Effect of different tax rates of subsidiaries operating in other jurisdictions	**780**	(2,192)
Tax effect of non-taxable revenue	**(2,042)**	(15,930)
Tax effect of non-deductible expenses	**9,031**	2,899
Under/(over) provision in respect of prior years	**1,655**	(130)
Utilisation of tax losses previously not recognised	**(30)**	–
Tax effect of tax losses not recognised	**246**	–
Decrease in deferred tax asset resulting from disallowable tax losses	**6,619**	–
Tax effect on tax reduction	**(120)**	(124)
Others	**(80)**	27
Income tax expense	**37,056**	17,944

Note: The domestic tax rate (which is Hong Kong Profits Tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

11. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Of the consolidated profit attributable to owners of the Company of HK$90,361,000 (2013: HK$182,910,000), a profit of HK$229,473,000 (2013: HK$225,751,000) has been dealt with in the financial statements of the Company.

12. DIVIDENDS

(a) Dividends attributable to the year

	2014	2013
	HK$'000	*HK$'000*
Interim dividend paid		
HK1 cent (2013: HK2 cents) per share	**23,979**	47,958
Special dividend paid		
HK2 cents (2013: HK2 cents) per share	**47,959**	47,959
Proposed final dividend		
HK3 cents (2013: HK2 cents) per share	**71,938**	47,959
Proposed special dividend		
Nil (2013: HK1 cent per share)	**–**	23,979
	143,876	167,855

A final dividend of HK3 cents (2013: final dividend of HK2 cents and special dividend of HK1 cent) per share has been proposed by the Board of Directors and is subject to the approval by the shareholders in the forthcoming annual general meeting.

(b) Dividends recognised as distributions during the year

	2014	2013
	HK$'000	HK$'000
2012 Final dividend	**–**	47,958
2012 Special dividend	**–**	23,979
2013 Interim dividend	**–**	47,958
2013 Special dividend	**–**	47,959
2013 Final dividend	**47,959**	–
2013 Special dividend	**23,979**	–
2014 Interim dividend	**23,979**	–
2014 Special dividend	**47,959**	–
	143,876	167,854

13. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of HK$90,361,000 (2013: HK$182,910,000) and on 2,397,917,898 (2013: 2,397,917,898) ordinary shares in issue during the year.

For the year ended 31 March 2014 and 2013, diluted earnings per share was the same as the basic earnings per share as there were no potential ordinary shares in issue for both years.

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

Directors' emoluments disclosed pursuant to section 78 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), with reference to section 161 of the predecessor Hong Kong Companies Ordinance (Cap. 32) is as follows:

	Fees	Salaries and allowances	Contribution to defined contribution plan	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 March 2014				
Executive Directors				
Mr. Ching-fat MA	**–**	**19,500**	**15**	**19,515**
Mr. Ching-choi MA	**–**	**15,600**	**15**	**15,615**
Mr. Shun-chuen LAM	**–**	**2,730**	**15**	**2,745**
Non-executive Director				
Mr. Dominic LAI	**120**	**–**	**–**	**120**
Independent non-executive Directors				
Mr. Yau-nam CHAM	**110**	**–**	**–**	**110**
Mr. Ping-wing PAO	**140**	**–**	**–**	**140**
Mr. Yat-fai LAM	**145**	**–**	**–**	**145**
	515	**37,830**	**45**	**38,390**
Year ended 31 March 2013				
Executive Directors				
Mr. Ching-fat MA	–	19,500	15	19,515
Mr. Ching-choi MA	–	15,600	15	15,615
Mr. Shun-chuen LAM	–	2,594	15	2,609
Non-executive Director				
Mr. Dominic LAI	120	–	–	120
Independent non-executive Directors				
Mr. Yau-nam CHAM	100	–	–	100
Mr. Ping-wing PAO	115	–	–	115
Mr. Yat-fai LAM	150	–	–	150
	485	37,694	45	38,224

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

(a) Directors' emoluments *(Continued)*

The Directors' emoluments are determined with reference to Directors' duties and responsibilities with the Company, the Company's current standards for emoluments and the market conditions.

There was no arrangement under which a Director waived or agreed to waive any emoluments during the year.

During the year, no emoluments were paid by the Group to the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

(b) The emoluments of the top five individuals during the year included three (2013: three) Directors, details of whose emoluments are set out in note 14(a) above. The emoluments payable to the remaining two individuals during the year (2013: two) are as follows:

	2014	2013
	HK$'000	*HK$'000*
Salaries and other benefits	**8,391**	8,131
Contribution to defined contribution plan	**30**	29
	8,421	8,160

The emoluments of them fell within the following bands:

	Number of individuals	
	2014	2013
Emolument bands		
HK$2,000,001 to HK$2,500,000	**1**	1
HK$5,500,001 to HK$6,000,000	**1**	1

During the year, no emoluments were paid by the Group to these individuals as an inducement to join, or upon joining the Group, or as compensation for loss of office.

15. PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold building	Plant, machinery and printing equipment	Furniture, fixtures and equipment	Leasehold improvements	Motor vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost or valuation						
At 1 April 2012	486,000	857,802	121,372	1,212	23,636	1,490,022
Additions	–	27,864	7,121	3,140	2,116	40,241
Disposals	–	(16,294)	(1,790)	–	(2,755)	(20,839)
Revaluation surplus	117,000	–	–	–	–	117,000
Exchange adjustment	–	–	43	–	4	47
At 31 March 2013 and 1 April 2013	603,000	869,372	126,746	4,352	23,001	1,626,471
Additions	–	29,003	7,959	2,770	6,073	45,805
Disposals	–	(3,380)	(6,666)	–	(4,420)	(14,466)
Revaluation surplus	26,000	–	–	–	–	26,000
Exchange adjustment	–	–	(1,566)	–	(83)	(1,649)
At 31 March 2014	**629,000**	**894,995**	**126,473**	**7,122**	**24,571**	**1,682,161**
Depreciation						
At 1 April 2012	–	557,268	110,994	485	19,412	688,159
Provided for the year	14,294	44,859	4,594	870	2,448	67,065
Eliminated on disposal	–	(16,258)	(1,760)	–	(2,715)	(20,733)
Eliminated on revaluation	(14,294)	–	–	–	–	(14,294)
Exchange adjustment	–	–	35	–	3	38
At 31 March 2013 and 1 April 2013	–	585,869	113,863	1,355	19,148	720,235
Provided for the year	18,273	46,930	4,233	1,424	3,625	74,485
Eliminated on disposal	–	(3,365)	(1,649)	–	(4,083)	(9,097)
Eliminated on revaluation	(18,273)	–	–	–	–	(18,273)
Exchange adjustment	–	–	(609)	–	(68)	(677)
At 31 March 2014	**–**	**629,434**	**115,838**	**2,779**	**18,622**	**766,673**
Carrying values						
At 31 March 2014	629,000	265,561	10,635	4,343	5,949	915,488
At 31 March 2013	603,000	283,503	12,883	2,997	3,853	906,236

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Group *(Continued)*

At 31 March 2014, certain plant, machinery and printing equipment of the Group with a total carry value of HK$4,503,000 (2013: HK$1,819,000) are held under finance lease. The acquisition costs of HK$17,899,000 (2013: HK$2,885,000) were non-cash transactions during the year.

The carrying values of property shown above comprises:

	2014	2013
	HK$'000	*HK$'000*
Leasehold building situated in Hong Kong held under medium-term lease:	**629,000**	603,000

If leasehold building was stated on the historical cost basis, the amount would be as follows:

	2014	2013
	HK$'000	*HK$'000*
Cost	**546,636**	546,636
Accumulated depreciation	**(154,484)**	(142,601)
Carrying values	**392,152**	404,035

The analysis of carrying values at cost or valuation of the above property, plant and equipment at 31 March 2014 and 2013 is as follows:

	Leasehold building	**Plant, machinery and printing equipment**	**Furniture, fixtures and equipment**	**Leasehold improvement**	**Motor vehicles**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At cost	–	265,561	10,635	4,343	5,949	286,488
At valuation – 2014	629,000	–	–	–	–	629,000
At 31 March 2014	629,000	265,561	10,635	4,343	5,949	915,488
At cost	–	283,503	12,883	2,997	3,853	303,236
At valuation – 2013	603,000	–	–	–	–	603,000
At 31 March 2013	603,000	283,503	12,883	2,997	3,853	906,236

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Group *(Continued)*

The building situated in Hong Kong was revalued individually at 31 March 2014 and 31 March 2013 by Messrs. DTZ Debenham Tie Leung Limited ("DTZ"), independent professional qualified valuer not connected to the Group. DTZ is a member of the Hong Kong Institute of Surveyor. The valuation was arrived at on a depreciated replacement cost basis. There has been no change to the valuation technique during the year in estimating the fair value of the property, the highest and best use of the properties is their current use.

In 2013, net revaluation surplus of HK$74,930,000 resulting from the above valuation was recognised in profit or loss, being the accumulated impairment made previously now written back on revaluation. In 2014, the revaluation surplus of HK$39,983,000 (2013: HK$47,064,000), net of applicable deferred income tax, was credited to the revaluation reserve in the shareholders' equity.

Fair value measurement of the Group's leasehold building

Details of the Group's leasehold building and information about the fair value hierarchy as at 31 March 2014 are as follows:

	Level 3	**Fair value as at 31 March 2014**
	HK$'000	*HK$'000*
Leasehold building in HK	**629,000**	**629,000**

There were no transfers into or out of Level 3 during the year.

The following table gives information about how the fair values of the leasehold building are determined (in particular, the valuation techniques and inputs used).

Leasehold building held by the Group	**Valuation techniques**	**Significant unobservable inputs**	**Relationship of unobservable inputs for fair value**
Oriental Press Centre 23 Dai Cheong Street Tai Po Industrial Estate Hong Kong	Depreciated Replacement Costs ("DRC") approach	Replacement cost range from HK$3,700 to HK$14,000 per square metre from quantity surveyor report Deprecation rate of 2% per annum	A slight increase in the replacement cost per square metre would result in a significant increase in the fair value measurement of the building and vice versa

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Company	**Motor vehicles**
	HK$'000
Cost	
At 1 April 2012	21,593
Additions	2,116
Disposals	(2,755)
At 31 March 2013 and 1 April 2013	20,954
Additions	6,073
Disposals	(4,420)
At 31 March 2014	**22,607**
Depreciation	
At 1 April 2012	17,592
Provided for the year	2,359
Eliminated on disposal	(2,716)
At 31 March 2013 and 1 April 2013	17,235
Provided for the year	3,578
Eliminated on disposal	(4,083)
At 31 March 2014	**16,730**
Carrying values	
At 31 March 2014	5,877
At 31 March 2013	3,719

16. LEASEHOLD LAND

The Group's interests in leasehold land represent prepaid operating lease payments and their carrying values are analysed as follows:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
In Hong Kong held on:		
– Leases of between 10 to 50 years	**25,996**	26,784
Opening carrying values	**26,784**	27,572
Annual charges of prepaid operating lease payments	**(788)**	(788)
Closing carrying values	**25,996**	26,784

17. INVESTMENT PROPERTIES

Investment properties represent real estate properties located in overseas, which are owned for investment purposes only.

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Fair value		
At 1 April	**234,206**	202,079
Additions	**34**	43,949
Exchange adjustment	**(26,994)**	1,129
Fair value adjustment	**9,370**	(12,951)
At 31 March	**216,616**	234,206
Unrealised gain/(loss) on properties revaluation included in profit or loss	**9,370**	(12,951)

17. INVESTMENT PROPERTIES *(Continued)*

Fair value measurement of the Group's investment properties

Investment properties situated in Australia were revalued at 31 March 2014 and 31 March 2013 by Messrs. Jeffrey Perkings & Assoc. Property Valuers & Consultants, independent qualified professional valuer not connected to the Group. Messrs. Jeffrey Perkings & Assoc. Property Valuers & Consultants is a member of the Real Estate Institute of New South Wales. The valuations were arrived at by reference to comparable sales evidence as available in the relevant market and where appropriate, by capitalising the net rental income derived from the existing tenancies with due allowance for the reversionary potential of the respective properties as at 31 March 2014.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 March 2014 are as follows:

	Level 3 *HK$'000*	Fair value as at 31 March 2014 *HK$'000*
Investment properties located in Australia	**216,616**	**216,616**

There were no transfers into or out of Level 3 during the year.

The following table gives information about how the fair values of the major investment properties are determined (in particular, the valuation techniques and inputs used).

Investment properties held by the Group	Valuation techniques and key input	Significant unobservable inputs	Relationship of unobservable inputs for fair value
Aspire Hotel 383 Bulwara Road Ultimo 2007 Sydney Australia	Direct comparison approach from available sales evidence equates to approximately AUD114,600 per guest room	Potential significant income growth from increased tourism after completion of nearby Darling Harbour Convention Centre, approximately 9% per annum	Increased fair value as a result of assumed potential income growth from increased tourism pending completion of Darling Harbour Convention Centre
	Equates to approximately AUD4,885 per square metre land and building Income capitalisation approach	Increased development potential as a result of improving Sydney residential development market, approximately 10% to 15% of expected yield	Increased fair value as potential development site subsequent to increasingly buoyant Sydney residential apartment market

17. INVESTMENT PROPERTIES *(Continued)*

Fair value measurement of the Group's investment properties *(Continued)*

Investment properties held by the Group	Valuation techniques and key input	Significant unobservable inputs	Relationship of unobservable inputs for fair value
Rodeo Plaza 2 Short Street Double Bay NSW Australia	Direct comparison approach from available sales evidence. Subject equates to approximately AUD8,285 per square metre, land and building	Increased development potential as a result of improving Sydney residential development market, 7% of expected yield.	Increased fair value as potential development site subsequent to increasingly buoyant Sydney residential apartment market Inferior location and poor condition, reduces fair value on direct comparison basis
29, 31 & 33 Bay Street Double Bay NSW Australia	Direct comparison approach from available sales evidence. Subject equates to approximately AUD11,209 per square metre, land and building	Increased development potential as a result of improving Sydney residential development market, approximately 6% to 7% of expected yield. Superior retail location	Increased fair value as potential development site subsequent to increasingly buoyant Sydney residential apartment market
35, 37 & 39 Bay Street Double Bay NSW Australia	Direct comparison approach from available sales evidence. Subject equates to approximately AUD11,763 per square metre, land and building	Increased development potential as a result of improving Sydney residential development market, approximately 6% to 7% of expected yield.	Increased fair value as potential development site subsequent to increasingly buoyant Sydney residential apartment market

There has been no change from the valuation technique used in the prior year.

In estimating the fair value for the properties, the highest and best use of the properties is their current use.

17. INVESTMENT PROPERTIES *(Continued)*

The Group's interest in investment properties at their carrying value is analysed as follows:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Outside Hong Kong, freehold	**216,616**	234,206

18. AVAILABLE-FOR-SALE FINANCIAL ASSET

	The Group and The Company	
	2014	2013
	HK$'000	*HK$'000*
Club membership, stated at cost	**4,745**	4,745

The club membership does not have a quoted market price in an active market and whose fair value cannot be reliably measured. The Group intends to continue to hold the membership.

19. DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using the applicable tax rates at end of the reporting period in the tax jurisdiction concerned.

19. DEFERRED TAXATION *(Continued)*

The movement in deferred tax assets and liabilities during the year is as follows:

The Group

	Accelerated tax depreciation	Revaluation of properties	Tax losses	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2012	70,116	(2,185)	(30,545)	(2,993)	34,393
Recognised in profit or loss *(Note 10)*	(413)	3,613	(2,244)	(198)	758
Recognised in other comprehensive income	–	9,300	–	–	9,300
Exchange differences	–	(93)	(156)	–	(249)
At 31 March 2013 and 1 April 2013	69,703	10,635	(32,945)	(3,191)	44,202
Recognised in profit or loss *(Note 10)*	(833)	2,822	6,473	(360)	8,102
Recognised in other comprehensive income	–	4,290	–	–	4,290
Exchange differences	–	1,763	2,472	–	4,235
At 31 March 2014	**68,870**	**19,510**	**(24,000)**	**(3,551)**	**60,829**

The Company

	Accelerated tax depreciation
	HK$'000
At 1 April 2012	496
Recognised in profit or loss	(91)
At 31 March 2013 and 1 April 2013	405
Recognised in profit or loss	226
At 31 March 2014	**631**

19. DEFERRED TAXATION *(Continued)*

The following is the analysis of the deferred tax balances for financial reporting purposes:

	The Group		The Company	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Deferred tax assets	**(37,984)**	(51,673)	**–**	–
Deferred tax liabilities	**98,813**	95,875	**631**	405
	60,829	44,202	**631**	405

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. These tax losses have no expiry date. The Group has unrecognised tax losses of approximately HK$1,491,000 (2013: HK$30,000) due to the unpredictability of the future profit streams.

20. INTERESTS IN SUBSIDIARIES

(a) Investment in subsidiaries

	The Company	
	2014	2013
	HK$'000	*HK$'000*
Unlisted shares, at cost	**1**	1

20. INTERESTS IN SUBSIDIARIES *(Continued)*

(a) Investment in subsidiaries *(Continued)*

Particulars of the principal subsidiaries at 31 March 2014 are as follows:

Name of subsidiary	Place of incorporation/ operation	Issued ordinary shares held by the Company	Principal activity
Don Bon Management Limited	Hong Kong	HK$100	Property leasing
Don Bon Property Limited	Hong Kong	HK$1	Investing holding
Dragon Asia Property Limited	Hong Kong	HK$100	Website contents production
Good News Publisher Limited	Hong Kong	HK$100	Newspaper publication
Long Universal Limited	Hong Kong	HK$1	Canteen operation
Lucky Million Limited	Hong Kong	HK$1	Transportation service
OPG Building Management Limited	Hong Kong	HK$2	Building management
OPG Finance Limited	Hong Kong	HK$2	Treasury company
OPG Human Resources Limited	Hong Kong	HK$2	Human resources services
OPG Printing Limited	Hong Kong	HK$100	Printing services
Oriental Daily News Limited	Hong Kong	HK$100	Advertising agent
Oriental Daily Publisher Limited#	Hong Kong	HK$100	Newspaper publication
Oriental Paperzine Limited	Hong Kong	HK$100	Magazine publication
Oriental Press Centre Limited	Hong Kong	HK$100	Property holding
Oriental Publications Limited	Hong Kong	HK$100	Publication services
ON.CC Limited# (Formerly known as ON.CC (HK) Limited)	Hong Kong	HK$2	Website service provider
The Sun News Publisher Limited#	Hong Kong	HK$100	Newspaper publication
The Sun Racing Journal Limited	Hong Kong	HK$2	Horse racing journal publication
Pacific Resort Holding Pty Limited##*	Australia	AUD3,150,000	Hotel property investment
ORO Group Pty Limited#*	Australia	AUD8,500,000	Property investment

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

All the subsidiaries are directly held and wholly-owned private limited companies except otherwise stated.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

100% of equity interest indirectly held by the Company
90% of equity interest indirectly held by the Company
* *Not audited by HLM CPA Limited.*

(b) Amounts due from/(to) subsidiaries

The amounts due are unsecured, interest-free and repayable on demand.

21. INVENTORIES

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Newsprint and printing materials	**54,059**	88,859
Spare parts and supplies	**14,672**	23,738
Others	**1,438**	1,181
	70,169	113,778

Inventories of HK$14,672,000 (2013: HK$23,738,000) are expected to be recovered after more than twelve months.

22. TRADE RECEIVABLES

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Trade receivables	**200,962**	251,291
Less: Allowance for doubtful debts	**(1,998)**	(2,478)
	198,964	248,813

The Group allows an average credit of 90 days to its trade customers and no interest is charged. All trade receivables are denominated in Hong Kong Dollars which is the functional currency of the group entities to which these balance relate.

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

	The Group	
	2014	2013
	HK$'000	*HK$'000*
0 – 60 days	**87,702**	109,385
61 – 90 days	**37,342**	46,557
Over 90 days	**73,920**	92,871
	198,964	248,813

22. TRADE RECEIVABLES *(Continued)*

The carrying amount of trade receivables is considered a reasonable approximation of fair value as this financial asset is expected to be paid within a short timescale, such that the time value of money impact is not significant.

Trade receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

At the end of each reporting period, the Group's trade receivables over 365 days are individually and collectively assessed for any impairment. The individually impaired receivables, if any, are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions. Consequently, specific impairment provision is recognised.

Included in the Group's trade receivables, the carrying amount of HK$73,920,000 (2013: HK$92,871,000) are past due but not impaired at the end of the reporting period.

Aged analysis of trade receivables which are past due but not impaired is as follows:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
91 – 120 days	**31,111**	35,911
121 – 365 days	**41,416**	56,960
Over 365 days	**1,393**	–
	73,920	92,871

Trade receivables that were past due but not impaired are related to independent customers that had a good track record with the Group. Based on the past experience, management believed that no allowance for doubtful debts is necessary in respect of these balances as there had not been a significant change in credit quality and the balances were considered fully recoverable. The Group does not hold any collateral over the balances.

22. TRADE RECEIVABLES *(Continued)*

Movement in the allowance for doubtful debts:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
At 1 April	**2,478**	2,317
Impairment losses recognised on receivables	**245**	724
Amount recovered during the year	**(17)**	–
Amounts written off as uncollectible	**(708)**	(563)
At 31 March	**1,998**	2,478

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK$245,000 (2013: HK$724,000) which have either been placed under liquidation or in severe financial difficulties.

23. OTHER DEBTORS, DEPOSITS AND PREPAYMENTS

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Other debtors	**4,625**	4,615
Deposits	**7,450**	8,150
Prepayments	**8,190**	5,848
	20,265	18,613

	The Company	
	2014	2013
	HK$'000	*HK$'000*
Deposit	**550**	70
Prepayments	**338**	1,818
	888	1,888

The carrying amounts of other debtors, deposits and prepayments approximate to their fair values and are neither past due nor impaired.

24. CASH AND BANK BALANCES

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Cash at banks and in hand	**264,677**	135,691
Short-term bank deposits	**1,476,883**	1,466,112
	1,741,560	1,601,803

	The Company	
	2014	2013
	HK$'000	*HK$'000*
Cash at banks and in hand	**1,721**	1,740

Included in cash and bank balances in the consolidated statement of financial position are the following amounts denominated in a currency other than the functional currency of the group entities to which they relate:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
United States Dollars ("US$")	**11,035**	11,810
Australian Dollars ("AUD")	**3,198**	2,286
Renminbi ("RMB")	**439**	346
Other Currencies	**408**	194
	15,080	14,636

Cash at banks earns interest at floating rates based on daily bank deposits rates. The effective interest rate of short-term bank deposits is ranging from 0.01% to 4.4% (2013: 0.01% to 3.6%) per annum and have a maturity period within one month and are eligible for immediate cancellation without receiving any interest for the last deposit period.

25. TRADE PAYABLES

The credit period granted by the Group's suppliers ranges from 30 to 90 days. Based on the invoice dates, the aged analysis of trade payables at the end of the reporting period is as follows:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
0 – 60 days	**25,463**	31,923
61 – 90 days	**1,911**	794
Over 90 days	**4,046**	6,638
	31,420	39,355

	The Company	
	2014	2013
	HK$'000	*HK$'000*
0 – 60 days	**1,174**	100
61 – 90 days	**364**	22
Over 90 days	**1,005**	1,562
	2,543	1,684

All amounts are short term and hence the carrying values of the Group's and the Company's trade payables are considered to be a reasonable approximation of fair value. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

26. OTHER CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Other creditors	**52,234**	65,290
Accruals	**35,276**	43,441
Accrued wages	**52,491**	1,918
Deposits received	**13,610**	10,419
	153,611	121,068

26. OTHER CREDITORS, ACCRUALS AND DEPOSITS RECEIVED *(Continued)*

	The Company	
	2014	2013
	HK$'000	*HK$'000*
Other creditors	**2,823**	2,647
Accruals	**3,667**	3,547
	6,490	6,194

The Group's accruals under current liabilities included the provision of long service payment and provision of litigation, as follows:

	The Group		
	Long service payment	Litigation	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 April 2013	31,367	8,429	39,796
Addition provision recognised	4,560	415	4,975
Over-provision in respect of prior years	–	(4,377)	(4,377)
Reduction arising from payments	(5,541)	(3,485)	(9,026)
At 31 March 2014	**30,386**	**982**	**31,368**

	The Company
	Litigation
	HK$'000
At 1 April 2013	3,547
Over-provision in respect of prior years	(3,250)
At 31 March 2014	**297**

All amounts are short term and hence the carrying values of the Group's and the Company's other creditors and accruals are considered to be a reasonable approximation of fair value.

27. BORROWINGS

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Borrowings wholly repayable within five years:		
– Other loan	**7,173**	8,104
– Obligations under finance leases	**5,760**	2,639
	12,933	10,743
Less: Current portion due within one year included under current liabilities		
– Other loan	**7,173**	8,104
– Obligations under finance leases	**1,404**	795
	8,577	8,899
Non-current portion included under non-current liabilities		
– Obligations under finance leases	**4,356**	1,844

At 31 March 2014 and 2013, other loan denominated in Australian Dollars, which was made by a non-controlling shareholder of a subsidiary of the Company, was unsecured, bearing interest at 4% per annum and repayable on demand.

The carrying amounts of borrowings approximate their fair value.

27. BORROWINGS *(Continued)*

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

	Minimum lease payments		Present value of minimum lease payments	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Obligation under finance leases:				
Due within one year	**1,479**	865	**1,404**	795
Due in the second to fifth year	**4,430**	1,881	**4,356**	1,844
	5,909	2,746	**5,760**	2,639
Less: Future finance charges on finance leases	**(149)**	(107)		
Present value of lease obligations	**5,760**	2,639		
Less: Amount due for settlement within one year included under current liabilities			**(1,404)**	(795)
Amount due for settlement in the second to the fifth year included under non-current liabilities			**4,356**	1,844

The Group has entered into finance leases for certain plant, machinery and printing equipment. The leases run for a period of five years and do not have an option to renew the lease terms. All leases are on a fixed repayment basis and no arrangements have been entered into for any contingent rental provisions. Under the terms of lease, the Group has the option to purchase the lease assets at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the lease.

The Group's obligations under finance leases are secured by the lessors' charge over the leased assets and are all denominated in Hong Kong Dollars.

28. SHARE CAPITAL

	Number of shares	*HK$'000*
Maximum number of shares can be issued:		
At 1 April 2012, 31 March 2013 and 1 April 2013, ordinary shares of HK$0.25 each	**5,000,000,000**	**1,250,000**
At 31 March 2014	**N/A**	**N/A**
Issued and fully paid:		
At 1 April 2012, 31 March 2013 and 1 April 2013, ordinary shares of HK$0.25 each	**2,397,917,898**	**599,479**
Transfer from share premium	**–**	**814,485**
At 31 March 2014, ordinary shares with no par value	**2,397,917,898**	**1,413,964**

An entirely new Companies Ordinance (Cap.622) came into effect on 3 March 2014, which has abolished authorised share capital, par value, share premium, and share redemption reserve, in respect of the share capital of Hong Kong companies. As a result, the Company has no authorised share capital and the amounts of share premium of the Company are transferred to the share capital.

29. RESERVES

The Company

	Share premium *HK$'000*	**Retained profit** *HK$'000*	**Proposed dividends** *HK$'000*	**Total** *HK$'000*
At 1 April 2012	814,485	932,290	71,937	1,818,712
2012 final dividend paid	–	–	(47,958)	(47,958)
2012 special dividend paid	–	–	(23,979)	(23,979)
2013 interim dividend paid	–	(47,958)	–	(47,958)
2013 special dividend paid	–	(47,959)	–	(47,959)
Proposed 2013 final dividend *(Note 12)*	–	(47,959)	47,959	–
Proposed 2013 special dividend *(Note 12)*	–	(23,979)	23,979	–
Total comprehensive income for the year	–	225,751	–	225,751
At 31 March 2013 and 1 April 2013	814,485	990,186	71,938	1,876,609
2013 final dividend paid	–	–	(47,959)	(47,959)
2013 special dividend paid	–	–	(23,979)	(23,979)
2014 interim dividend paid	–	(23,979)	–	(23,979)
2014 special dividend paid	–	(47,959)	–	(47,959)
Proposed 2014 final dividend *(Note 12)*	–	(71,938)	71,938	–
Total comprehensive income for the year	–	229,473	–	229,473
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	(814,485)	–	–	(814,485)
At 31 March 2014	**–**	**1,075,783**	**71,938**	**1,147,721**

30. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group paid legal fees amounting to HK$1,473,000 (2013: HK$1,962,000) to Messrs. Iu, Lai & Li. Mr. Dominic LAI, a non-executive Director of the Company, is a senior partner of Messrs. Iu, Lai & Li, during the year. The transaction prices were considered by the Directors as estimated market price.

Besides, the Group paid rental expenses amounting to HK$540,000 (2013: HK$1,080,000) as a place of residence for Mr. Derek Hing-kwok MA, a director of the Group's subsidiaries, and a close family member of the Group's director.

The Directors are of the opinion that the key management personnel were solely the Directors of the Company, details of whose emoluments are set out in note 14(a) above.

31. OPERATING LEASE COMMITMENTS

At 31 March 2014, the total future minimum lease payments under non-cancellable operating leases payable by the Group are as follows:

	2014	2013
	HK$'000	*HK$'000*
Within one year	**5,927**	6,438
In the second to fifth year	**6,294**	3,480
	12,221	9,918

The Group leases a number of premises under operating leases. The leases run for an initial period of half to three years, with an option to renew the lease terms and negotiate the terms at the expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases include contingent rentals.

At 31 March 2014 and 2013, the Company had no significant operating lease commitments as lessee.

32. OPERATING LEASE ARRANGEMENTS

At 31 March 2014, the Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of the investment properties as follows:

	2014	2013
	HK$'000	*HK$'000*
Within one year	**4,637**	6,665
In the second to fifth year	**3,836**	1,100
	8,473	7,765

The Group leases its investment properties (note 17) under operating lease arrangements which run for an initial period of half to five years, with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenants. The terms of the leases generally also require the tenants to pay security deposits. None of the leases include contingent rentals receivable.

At 31 March 2014 and 2013, the Company had no operating lease commitments as lessor.

33. CAPITAL COMMITMENTS

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Capital expenditure in respect of the acquisition of property, plant and equipment and refurbishment to investment properties, contracted for but not provided in the financial statements	**7,963**	5,273

At 31 March 2014 and 2013, the Company did not have any significant capital commitments.

34. CONTINGENT LIABILITIES

As at 31 March 2014, the Company had given guarantees to two banks in connection with general banking facilities granted by the banks to a subsidiary amounting to approximately HK$135,000,000 and US$15,000,000. The maximum liability of the Company under the guarantees issued represented the amount could be drawn down by the subsidiary. As at 31 March 2014, such facilities could be drawn down by the subsidiary to the extent of HK$60,000,000 and US$15,000,000. Under the facilities, the Company would be liable to pay the banks if the banks are unable to recover the loan. At the end of the reporting period, the facilities were utilised to the extent of approximately HK$2,228,000 (2013: HK$10,306,000). No provision for the Company's obligation under the guarantee contract has been made as the Directors considered that it was not probable that the repayment of the loan would be in default.

35. RETIREMENT BENEFIT SCHEME

The employees of the Group in Hong Kong were covered under the MPF Scheme which is a defined contribution scheme and the assets are managed by the trustee. The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% of the staff's relevant income. The maximum relevant income of each staff for contribution purpose is HK$25,000 per month. Staff members are entitled to 100% of the Group's contributions plus the accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65.

During the year, contributions to the MPF Scheme amounted to HK$24,076,000 (2013: HK$23,165,000).

36. OUTSTANDING LITIGATIONS

At the end of the reporting period, there have been several outstanding defamatory and other litigations brought against the Group. The Group has been strongly contesting those claims. Based on legal opinion, the Directors are of the opinion that adequate provision has been made in the financial statements to cover any potential liabilities arising from the litigations.

37. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurate with the level of risk.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. At 31 March 2014, the Group's net debt-to-adjusted capital ratio is zero (2013: zero). For the purpose of calculating the net debt-to-adjusted capital ratio, the Group defines net debt as total liabilities excluding deferred tax liabilities less cash and bank balances, and adjusted capital as all components of equity excluding proposed dividends.

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group does not have written risk management policies and guidelines. However, the Directors meet periodically to analyse and formulate measures to manage the Group's exposure to credit risk, liquidity risk and market risk, including principally changes in interest rates and currency exchange rates.

The Group is not actively engaged in the trading of financial assets for speculative purpose. The most significant financial risks to which the Group is exposed are described below. See also note 38(f) for a summary of financial assets and liabilities by category.

(a) Currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group mainly operates in Hong Kong and most of the Group's transactions are carried out in Hong Kong Dollars. The Group is exposed to foreign currency risk on transaction that is in a currency other than the respective functional currency of the group entities. The currencies giving rise to this risk are primarily Australian Dollars and Renminbi. Currently the Group does not have foreign currency hedging policy but the management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure where appropriate.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised financial assets or liabilities denominated in a currency other than the functional currency of the group entities to which they relate.

	2014		2013	
	RMB'000	***AUD'000***	*RMB'000*	*AUD'000*
Cash and bank balances	**352**	**446**	287	282
Borrowings	**–**	**(1,000)**	–	(1,000)
Net exposure	**352**	**(554)**	287	(718)

The Company did not have any exposure to foreign currencies at the end of the reporting period (2013: no exposure).

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(a) Currency risk *(Continued)*

Sensitivity analysis

The following table indicates the approximate change in the Group's profit after tax (and retained profits) and other components of consolidated equity in response to reasonably possible changes in the foreign exchange rate to which the Group's cash and bank balances and borrowings denominated in Australia Dollars and Renminbi having significant exposure at the end of the reporting period.

	2014		2013	
	Other components of consolidated equity	**Profit or loss**	Other components of consolidated equity	Profit or loss
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
AUD	**–**	**(397)**	–	(581)
RMB	**–**	**22**	–	17

The sensitivity analysis has been determined assuming that the reasonably possible change in foreign exchange rate had occurred at the end of the reporting period and had been applied to each of the group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rate, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of next reporting period with reference to the historical trend of Australia Dollars against Hong Kong Dollars and Renminbi against Hong Kong Dollars. 10% strengthening of Australia Dollars against Hong Kong Dollars and 5% strengthening of Renminbi against Hong Kong Dollars at the end of the reporting period would decrease equity and profit or loss by the amount shown above. 10% weakening of Australia Dollars against Hong Kong Dollars and 5% weakening of Renminbi against Hong Kong Dollars would have had the equal but opposite effect on the above currencies to the amounts shown above. The analysis is performed on the same basis for 2013. For currency risk exposure to US Dollars, it is assumed that the pegged rate between the US$ and Hong Kong Dollars would not be materially affected.

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(b) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, other debtors and bank deposits. The Group's exposures to these credit risks are monitored on an ongoing basis.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

	The Group		The Company	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Classes of financial assets – carrying amounts				
Trade receivables	**198,964**	248,813	**–**	–
Other debtors	**4,625**	4,615	**–**	–
Amounts due from subsidiaries	**–**	–	**2,558,635**	2,475,099
Cash and bank balances	**1,741,560**	1,601,803	**1,721**	1,740
	1,945,149	1,855,231	**2,560,356**	2,476,839

The Group allows an average credit of 90 days to its trade customers and no interest is charged. For the independent customers that had a good track record, the Group allows a longer credit term for them.

The Group has no significant concentration of credit risk arising from its ordinary course of business. The Group continuously monitors defaults of customers and other counterparties, identifies either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external reports on customers and other counterparties are obtained and used.

None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade receivables and other debtors, the Group is not exposed to any significant credit risk exposure to any single counterparty. At 31 March 2014, the Group has bank deposits of HK$1,476,883,000 (2013: HK$1,466,112,000) in a bank. The credit risk for liquid funds is considered minimal, since the counterparties are reputable banks with high quality of external credit ratings.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in note 22.

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(c) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's bank balances which generate interest income for the Group. The Group does not actively engage in derivative financial instruments to hedge its interest rate risk.

The following table details the interest rate profile of the Group's deposits at the end of the reporting period.

	2014		2013	
	Effective interest rate	***HK$'000***	Effective interest rate	*HK$'000*
Variable rate bank deposits:				
Bank balances	**0.01%-4.4%**	**1,476,883**	0.01%-3.6%	1,466,112

Sensitivity analysis

At 31 March 2014, it is estimated that a general increase/decrease of 10 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after tax and retained profits by approximately HK$1,477,000 (2013: HK$1,466,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments at the end of the reporting period. The 10 basis points increase or decrease represents management's assessment of reasonably possible change in interest rates over the period until the end of next reporting period. The analysis is performed on the same basis for 2013.

(d) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligation associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings. In addition, banking facilities have been put in place for contingency purposes.

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(d) Liquidity risk *(Continued)*

The maturity profile of the Group's and the Company's financial liabilities as at end of the reporting period, based on the contractual undiscounted amounts, is as follows:

	The Group						The Company			
		Contractual undiscounted cash flow						Contractual undiscounted cash flow		
	Carrying amount	Total	On demand	Less than 6 months	6 to 12 months	1 to 5 years	Carrying amount	Total	On demand	Less than 6 months
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
2014										
Trade payables	**31,420**	**31,420**	**31,420**	**–**	**–**	**–**	**2,543**	**2,543**	**2,543**	**–**
Other creditors and accruals	**140,001**	**140,001**	**140,001**	**–**	**–**	**–**	**6,490**	**6,490**	**6,490**	**–**
Borrowings	**12,933**	**13,082**	**7,173**	**740**	**739**	**4,430**	**–**	**–**	**–**	**–**
Amounts due to subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**95**	**95**	**95**	**–**
	184,354	**184,503**	**178,594**	**740**	**739**	**4,430**	**9,128**	**9,128**	**9,128**	**–**
Financial guarantees issued										
Maximum amount guaranteed	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,228**	**–**	**2,228**
2013										
Trade payables	39,355	39,355	39,355	–	–	–	1,684	1,684	1,684	–
Other creditors and accruals	110,649	110,649	110,649	–	–	–	6,194	6,194	6,194	–
Borrowings	10,743	10,850	8,104	432	433	1,881	–	–	–	–
Amounts due to subsidiaries	–	–	–	–	–	–	76	76	76	–
	160,747	160,854	158,108	432	433	1,881	7,954	7,954	7,954	–
Financial guarantees issued										
Maximum amount guaranteed	–	–	–	–	–	–	–	10,306	–	10,306

(e) Fair value

The fair value of the Group's financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short term of these financial instruments.

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(f) Summary of financial assets and liabilities by category

The carrying amounts of the Group's and the Company's financial assets and liabilities as recognised at end of the reporting period are categorised as follows. See notes 2.9 and 2.12 for explanations about how the classification of financial instruments affects their subsequent measurement.

	The Group		The Company	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Financial assets				
Available-for-sale financial asset	**4,745**	4,745	**4,745**	4,745
Loans and receivables:				
Trade receivables	**198,964**	248,813	**–**	–
Other debtors	**4,625**	4,615	**–**	–
Amounts due from subsidiaries	**–**	–	**2,558,635**	2,475,099
Cash and bank balances	**1,741,560**	1,601,803	**1,721**	1,740
	1,949,894	1,859,976	**2,565,101**	2,481,584
Financial liabilities				
Financial liabilities measured at amortised cost:				
Trade payables	**31,420**	39,355	**2,543**	1,684
Other creditors and accruals	**140,001**	110,649	**6,490**	6,194
Amounts due to subsidiaries	**–**	–	**95**	76
Borrowings	**12,933**	10,743	**–**	–
	184,354	160,747	**9,128**	7,954

Five Year Financial Summary

	For the year ended 31 March				
	2010	2011	2012	2013	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
Turnover	1,567,277	1,589,356	1,505,126	1,457,461	**1,436,486**
Profit attributable to owners of the Company	307,492	291,277	119,469	182,910	**90,361**
Total assets	3,243,369	3,532,320	3,154,387	3,219,977	**3,233,546**
Total liabilities	(251,304)	(246,641)	(277,446)	(274,524)	**(308,847)**
Non-controlling interests	(2,668)	(1,816)	(1,001)	(2,570)	**(2,166)**
Equity attributable to owners of the Company	2,989,397	3,283,863	2,875,940	2,942,883	**2,922,533**

Schedule of Major Properties

Details of the Group's major properties as at 31 March 2014 are as follows:

Land and buildings

Location	Approximate floor area	Category	Lease term	Group interest	Existing use
Oriental Press Centre 23 Dai Cheong Street Tai Po Industrial Estate Tai Po Hong Kong	490,000 Sq ft	Industrial	Medium-term	100%	Own use
Aspire Hotel 383 Bulwara Road Ultimo 2007 Sydney Australia	24,000 Sq ft (site area)	Commercial	Freehold	90%	Operating hotel business by licensee
Rodeo Plaza 2 Short Street Double Bay NSW Australia	8,000 Sq ft	Commercial	Freehold	100%	Investment property
29, 31 & 33 Bay Street Double Bay NSW Australia	4,800 Sq ft	Commercial	Freehold	100%	Investment property
35, 37 & 39 Bay Street Double Bay NSW Australia	8,000 Sq ft	Commercial	Freehold	100%	Investment property