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

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

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

Notes:

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

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

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

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

and his spouse's interest.

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

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

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

Notes:

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

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

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

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

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

(ii) Interests in shares and underlying shares in OMG

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

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

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

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

SUBSTANTIAL SHAREHOLDERS

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

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

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

Notes:

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

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

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

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

CONTINUING CONNECTED TRANSACTION AND CONNECTED TRANSACTIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Acquisition of properties

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

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

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

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

The transaction was completed in April 2009.

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

MANAGEMENT CONTRACTS

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

PENSION SCHEME ARRANGEMENT

Hong Kong

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

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

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

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

Malaysia

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

(a) Defined contribution plans

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

(b) Defined benefit plans

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

Other countries

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

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

MAJOR CUSTOMERS AND SUPPLIERS

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

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

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

CHARITABLE DONATIONS

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

AUDITOR

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

By Order of the Board

TIONG Kiew Chiong
Director

25 June 2009

Statement of Directors' Responsibilities in relation to the Financial Statements

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

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

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

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

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

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

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

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

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

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

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

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

OTHER MATTERS

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 June 2009

Consolidated Income Statement

For the year ended 31 March 2009

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

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

Consolidated Balance Sheet

As at 31 March 2009

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

As at 31 March 2009

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

By Order of the Board

TIONG Kiu King
Director

TIONG Kiew Chiong
Director

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

Balance Sheet

As at 31 March 2009

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

By Order of the Board

TIONG Kiu King
Director

TIONG Kiew Chiong
Director

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

Consolidated Statement of Recognised Income and Expense

For the year ended 31 March 2009

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

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

Consolidated Cash Flow Statement

For the year ended 31 March 2009

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

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

1 GENERAL INFORMATION

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

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

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

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

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

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

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

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

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

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

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

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

2.2 Basis of consolidation

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

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

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

(b) Group Accounting

(i) Consolidation

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

(a) Subsidiaries

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Basis of consolidation *(Continued)*

(b) Group Accounting *(Continued)*

(i) Consolidation (Continued)

(a) Subsidiaries *(Continued)*

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

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

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

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

(b) Transactions with minority interests

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

(ii) Foreign currency translation

(a) Functional currency and translation to presentation currency

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Basis of consolidation *(Continued)*

(b) Group Accounting *(Continued)*

(ii) Foreign currency translation (Continued)

(b) Transactions and balances

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

(c) Group companies

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

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

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

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

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

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

2.3 Segment reporting

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.3 Segment reporting *(Continued)*

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

2.4 Property, plant and equipment

(a) Other properties

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

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

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

(b) Plant and equipment

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

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

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

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.5 Investment properties

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

2.6 Intangible assets and goodwill

(a) Goodwill

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

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

(b) Intangible assets

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

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

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

2.7 Financial assets

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.7 Financial assets *(Continued)*

(b) Loans and receivables

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

(c) Available-for-sale financial assets

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

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

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

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

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.8 Impairment of investments in subsidiaries and non-financial assets

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

2.9 Inventories

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

2.10 Trade and other receivables

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

2.11 Cash and cash equivalents

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

2.12 Trade payables

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.13 Leases

(a) Finance leases

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

(b) Operating leases

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

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

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

2.14 Borrowings

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

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

2.15 Current and deferred income tax

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.15 Current and deferred income tax *(Continued)*

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

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

2.16 Employee benefits

(a) Employee leave entitlements

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

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

(b) Profit sharing and bonus plans

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

(c) Pension obligations

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

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

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits *(Continued)*

(c) Pension obligations *(Continued)*

Defined benefit plans (Continued)

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

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

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

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

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

(d) Long service payments

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits *(Continued)*

(d) Long service payments *(Continued)*

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

(e) Share-based compensation

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

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

2.17 Provisions

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

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

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

2.18 Share capital

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.19 Revenue recognition

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

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

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

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

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

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

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

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

Management fee income is recognised on an accrual basis.

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

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

2.20 Borrowing costs

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

2 PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.21 Dividend distribution

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

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

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

(a) Price risk

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

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

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

(b) Interest rate risk

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

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

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Interest rate risk *(Continued)*

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

(c) Credit risk

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

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

(d) Currency risk

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

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

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

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

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(e) Liquidity risk

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

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

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

3.2 Capital risk management

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

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

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

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

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

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation

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

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

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

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

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

(a) Defined benefit plan assets

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

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

(b) Provision for long service payments

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

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

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

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT *(Continued)*

(d) Impairment of goodwill

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

(e) Income taxes

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

(f) Deferred income tax assets

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

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

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

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

(h) Fair value of investment properties

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT *(Continued)*

(i) Fair value of share options at grant date

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

5 TURNOVER, OTHER INCOME AND SEGMENT INFORMATION

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

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

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

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

Primary reporting format – business segments

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

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

Primary reporting format – business segments *(Continued)*

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

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

Secondary reporting format – geographical segments

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

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

Secondary reporting format – geographical segments *(Continued)*

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

6 EXPENSES BY NATURE

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

7 OTHER GAINS, NET

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

8 FINANCE COSTS

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

9 INCOME TAX EXPENSE

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

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

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

9 INCOME TAX EXPENSE *(Continued)*

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

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

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

10 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

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

11 DIVIDENDS

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

11 DIVIDENDS *(Continued)*

Notes:

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

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

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

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

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

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

12 EARNINGS PER SHARE

(i) Basic

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

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

12 EARNINGS PER SHARE *(Continued)*

(ii) Diluted

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

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

13 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

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

14 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

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

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

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

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

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

Notes:

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

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

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

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

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

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

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

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

15 PROPERTY, PLANT AND EQUIPMENT

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

15 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

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

Notes:

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

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

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

16 INVESTMENT PROPERTIES

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

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

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

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

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

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

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

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

16 INVESTMENT PROPERTIES *(Continued)*

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

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

17 LEASEHOLD LAND AND LAND USE RIGHTS

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

Notes:

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

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

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

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

18 INTANGIBLE ASSETS AND GOODWILL

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

18 INTANGIBLE ASSETS AND GOODWILL *(Continued)*

Notes:

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

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

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

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

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

	Group	
	2009	2008
	US$'000	US$'000
Guang-Ming Ribao Sdn Bhd *(note (i))*	**10,976**	12,558
Mulu Press Sdn Bhd *(note (i))*	**498**	569
Sinchew-i Sdn Bhd *(note (i))*	**39**	44
Subsidiaries in Mainland China *(note (ii))*	**262**	261
Sin Chew Media Corporation Berhad *(note (iii))*	**42,845**	49,018
	54,620	62,450

The recoverable amount of each of these CGUs has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by management covering a five-year period. The projected growth rate does not exceed the long-term average growth rate for the business in which the CGU operates. Cash flows beyond the five-year period are extrapolated without considering any growth rate. Management determined budgeted gross margin based on past performance and its expectations for market development. The average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

Key assumptions used for the value-in-use calculations

	Average growth rate 2009	**Pre-tax discount rate 2009**
Goodwill of Guang-Ming Ribao Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of Mulu Press Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of Sinchew-i Sdn Bhd *(note (i))*	**2%**	**8.77%**
Goodwill of subsidiaries in Mainland China *(note (ii))*	**25%**	**8.00%**
Goodwill of Sin Chew Media Corporation Berhad *(note (iii))*	**1%**	**8.77%**
Masthead of Nanyang Siang Pau *(note (iv))*	**2%**	**8.77%**

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

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

18 INTANGIBLE ASSETS AND GOODWILL *(Continued)*

Notes: (Continued)

(d) *(Continued)*

(i) The goodwill comes from the acquisition of Guang-Ming Ribao Sdn Bhd, Mulu Press Sdn Bhd and Sinchew-i Sdn Bhd by Sin Chew in 2004.

(ii) The goodwill comes from the acquisition of the Group's subsidiaries in Mainland China in 2004.

(iii) 506,667,259 ordinary shares of HK$0.1 each were deemed to have been issued on 31 March 2008 for the acquisition of the remaining equity interest in Sin Chew from its minority shareholders. The purchase resulted in the Company recording a goodwill of US$49,018,000 as at 31 March 2008. At 31 March 2009, the goodwill amounted to US$42,845,000 after an exchange adjustment of US$6,173,000.

(iv) During the year ended 31 March 2009, the masthead of *Nanyang Siang Pau* impaired by US$3,895,000 due to the diminution in its fair value at the balance sheet date. The determination of fair value and the impairment are based on a discounted cash flow analysis using estimates and assumptions including the amount and timing of future interest rates. The impairment was primarily attributable to the significant decrease in actual and forecasted revenue of *Nanyang Siang Pau*.

19 INTERESTS IN SUBSIDIARIES

	Company	
	2009	2008
	US$'000	US$'000
Non-current		
Unlisted shares, at cost *(note (a))*	**466,667**	384,553
Less: provision for impairment	**(36,126)**	(36,126)
	430,541	348,427
Current		
Amounts due from subsidiaries *(note (b))*		
Interest-free	**979**	86,310

Notes:

(a) On 1 April 2008, an amount of approximately US$82,114,000 due by Ming Pao International Investment Limited ("MPII"), a wholly-owned subsidiary of the Company, was capitalised in exchange for new shares issued, allotted and credited as fully paid up by MPII to the Company. The amount was in nature a long-term funding to MPII as it had been long outstanding, unsecured and non-interest bearing.

(b) At 31 March 2009, the amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand (2008: Same).

At 31 March 2009, the carrying amounts of the amounts due from subsidiaries approximated their fair values.

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

20 FINANCIAL INSTRUMENTS BY CATEGORY

	Group				Company
	Loans and receivables	**Assets at fair value through profit or loss**	**Available-for-sale financial assets**	**Total**	**Loans and receivables**
	US$'000	US$'000	US$'000	US$'000	US$'000
Assets					
At 31 March 2009					
Available-for-sale financial assets *(note 25)*	**–**	**–**	**646**	**646**	**–**
Trade receivables *(note 26)*	**48,044**	**–**	**–**	**48,044**	**–**
Deposits and other receivables	**6,929**	**–**	**–**	**6,929**	**46**
Other financial assets at fair value through profit or loss *(note 22)*	**–**	**221**	**–**	**221**	**–**
Amounts due from subsidiaries *(note 19)*	**–**	**–**	**–**	**–**	**979**
Cash and cash equivalents *(note 27)*	**70,205**	**–**	**–**	**70,205**	**42**
Total	**125,178**	**221**	**646**	**126,045**	**1,067**
At 31 March 2008					
Available-for-sale financial assets *(note 25)*	–	–	644	644	–
Trade receivables *(note 26)*	66,490	–	–	66,490	–
Deposits and other receivables	3,949	–	–	3,949	–
Other financial assets at fair value through profit or loss *(note 22)*	–	1,404	–	1,404	–
Amounts due from subsidiaries *(note 19)*	–	–	–	–	86,310
Cash and cash equivalents *(note 27)*	76,559	–	–	76,559	47
Total	146,998	1,404	644	149,046	86,357

20 FINANCIAL INSTRUMENTS BY CATEGORY *(Continued)*

	Group	Company
	Financial liabilities	**Financial liabilities**
	US$'000	US$'000
Liabilities		
At 31 March 2009		
Bank overdrafts, secured *(note 27)*	**2,428**	**–**
Short-term bank loans *(note 31)*	**14,579**	**–**
Bank loans, secured *(note 32)*	**2,296**	**–**
Obligations under finance leases *(note 32)*	**1,213**	**–**
Trade and other payables	**37,053**	**1,584**
Amounts due to subsidiaries	**–**	**6,339**
Total	**57,569**	**7,923**
At 31 March 2008		
Bank overdrafts, secured *(note 27)*	2,962	–
Short-term bank loans *(note 31)*	24,414	–
Bank loans, secured *(note 32)*	10,188	–
Obligations under finance leases *(note 32)*	1,723	–
Trade and other payables	49,788	2,209
Total	89,075	2,209

21 INVESTMENT IN AN ASSOCIATE

	Group	
	2009	2008
	US$'000	US$'000
Unquoted shares at cost	**–**	3,202
Less: accumulated impairment loss	**–**	(3,202)
	–	–

At an extraordinary general meeting of Channel K TV Pte Ltd ("KTV"), an associate of the Company, held on 23 May 1997, KTV was put into voluntary winding up and the company was subsequently dissolved.

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2009	2008
	US$'000	US$'000
Listed equity securities in Hong Kong, at market value *(note (a))*	**221**	276
Equity linked notes *(note (b))*	**–**	1,128
	221	1,404
Less: non-current portion	**–**	(1,128)
	221	276

Notes:

(a) The investments were acquired principally for the purpose of selling in the short-term.

(b) The instruments were designated by management as financial assets at fair value through profit or loss on initial recognition as the management was not able to measure the embedded derivatives separately either at acquisition or at a subsequent financial reporting date and the embedded derivatives of the instruments could significantly modify the cash flows that would otherwise be required by the instruments.

As these instruments are not publicly traded and in the absence of readily available information to determine the fair values of these instruments, the Group has adopted the quotations provided by the issuers as its best estimate of the fair values of these instruments.

(c) Fair value losses on the equity linked notes and the listed equity securities at 31 March 2009 of US$1,128,000 and US$56,000 respectively (2008: fair value loss on equity linked notes and fair value gain of listed equity securities of US$346,000 and US$24,000 respectively) are recognised as other gains in the consolidated income statement.

(d) The maximum exposure to credit risk of the financial assets at fair value through profit or loss at the reporting date is equal to the fair values of the respective assets.

23 DEFINED BENEFIT PLAN ASSETS

The Group operates a number of staff retirement schemes which include a hybrid retirement benefit scheme (the "Scheme") for its employees in Hong Kong.

(a) The Scheme has three categories of members: Regular Member, Special Member and Defined Benefit ("DB") Member

Regular Member	–	defined contribution type of benefits based on accumulated contributions and investment gains and losses thereon.
Special Member	–	benefits based on final salary and service period or accumulated employer's contributions with credited investment gains and losses, whichever is higher.
DB Member	–	benefits based on final salary and service period only.

Members are also required to contribute monthly at 5% of their basic monthly salaries to the Scheme. The accumulated members' contributions with investment gains and losses will be paid to the members upon their leaving the employment in addition to the benefits described above.

(b) Defined benefit schemes for Special Member and DB Member

Pension costs are assessed using the projected unit credit method. The pension costs are charged to the consolidated income statement so as to spread the regular costs over the service lives of employees. A full valuation of the defined benefit scheme based on the projected unit credit method has been carried out by Watson Wyatt Hong Kong Limited, an independent qualified actuary, and the pension costs are charged to the consolidated income statement in accordance with its advice.

The limit of net assets to be recognised is disclosed as follows:

	Group	
	2009	2008
	US$'000	US$'000
Present value of available future refunds or reductions in future contributions	**–**	579

As at 31 March 2009, the limit of net liabilities amounted to US$85,000. The liability has been included in long-term liabilities in the consolidated balance sheet (note 32).

The amounts recognised in the consolidated balance sheet are determined as follows:

	Group	
	2009	2008
	US$'000	US$'000
Fair value of plan assets	**3,811**	5,972
Present value of funded obligations	**(3,896)**	(5,393)
(Liabilities)/assets in the consolidated balance sheet	**(85)**	579

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

Reconciliation of the fair value of plan assets is as follows:

	Group	
	2009	2008
	US$'000	US$'000
Fair value of the assets at the beginning of the year	**5,972**	6,042
Company contributions	**80**	70
Expected return on plan assets	**411**	425
Actual benefits paid	**(223)**	(310)
Actuarial losses on plan assets	**(2,443)**	(255)
Exchange difference	**14**	–
Fair value of the assets at the end of the year	**3,811**	5,972

Reconciliation of the present value of the defined benefit obligations is as follows:

	Group	
	2009	2008
	US$'000	US$'000
Present value of obligations at the beginning of the year	**5,393**	4,623
Current service costs	**203**	198
Interest cost	**137**	195
Actual benefits paid	**(223)**	(310)
Actuarial (gain)/losses on obligations	**(1,626)**	687
Exchange difference	**12**	–
Present value of the obligations at the end of the year	**3,896**	5,393

The amounts recognised in the consolidated income statement are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Current service costs	**(203)**	(198)
Interest cost	**(137)**	(195)
Expected return on plan assets	**411**	425
Total pension income, included in employee benefit expense *(note 13)*	**71**	32

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

The amounts recognised in the consolidated statement of recognised income and expense are as follows:

	Group	
	2009	2008
	US$'000	US$'000
Cumulative amount of actuarial losses at the beginning of the year	**1,693**	751
Actuarial losses during the year	**817**	942
Exchange difference	**(2)**	–
Cumulative amount of actuarial losses at the end of the year	**2,508**	1,693

The actual return on plan assets was a loss of US$1,858,000 (2008: gain of US$319,000).

Movements in the (liabilities)/assets recognised in the consolidated balance sheet:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**579**	1,419
Total pension income recognised in the consolidated income statement	**71**	32
Actuarial losses recognised in the consolidated statement of recognised income and expense	**(817)**	(942)
Contributions paid	**80**	70
Exchange difference	**2**	–
At 31 March	**(85)**	579

The principal actuarial assumptions used were as follows:

	Group	
	2009	2008
Discount rate	**1.9%**	2.6%
Expected rate of return on plan assets	**7%**	7%
Expected rate of future salary increases		
2008	**–**	3%
2009	**–**	4%
2010 and onwards	**4%**	4%

Expected contributions to the defined benefit plan for the year ending 31 March 2010 are US$346,000.

23 DEFINED BENEFIT PLAN ASSETS *(Continued)*

(b) Defined benefit schemes for Special Member and DB Member *(Continued)*

Other disclosure figures for the current and previous years are as follows:

	Group			
	2009	2008	2007	2006
	US$'000	US$'000	US$'000	US$'000
At 31 March				
Present value of defined benefit obligations	**(3,896)**	(5,393)	(4,623)	(3,865)
Fair value of the plan assets	**3,811**	5,972	6,042	5,254
(Deficit)/Surplus	**(85)**	579	1,419	1,389
Experience adjustments on the defined benefit obligations	**1,874**	92	(424)	(309)
Experience adjustments on the plan assets	**(2,445)**	(255)	441	338

The plan assets are managed by independent investment managers and are invested in unit trusts based on the long-term benchmark allocation of 70% in equities and 30% in bonds. After allowing for the administration expenses, an expected long-term rate of return of 7% per annum is adopted.

24 INVENTORIES

	Group	
	2009	2008
	US$'000	US$'000
Raw materials	**41,311**	49,928
Finished goods	**637**	603
	41,948	50,531

Raw materials and consumables recognised as expenses and included in cost of goods sold amounted to US$120,092,000 (2008: US$91,364,000).

25 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**644**	605
Additions	**–**	39
Exchange difference	**2**	–
At 31 March	**646**	644
Less: non-current portion	**–**	–
Current portion	**646**	644

There were no disposals or impairment provisions on available-for-sale financial assets during the years ended 31 March 2009 and 2008.

Available-for-sale financial assets included the following:

	Group	
	2009	2008
	US$'000	US$'000
Unlisted club debentures	**646**	644

Available-for-sale financial assets were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
HK dollars	**646**	644

At 31 March 2009, the carrying value of the unlisted club debentures approximated their fair value.

A significant or prolonged decline in fair value below cost is considered as an indicator of impairment. If any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value less any impairment loss previously recognised in the consolidated income statement – is removed from equity and recognised in the consolidated income statement.

26 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables	**52,226**	72,016	**–**	–
Less: provision for impairment of trade receivables	**(4,182)**	(5,526)	**–**	–
Trade receivables, net *(note)*	**48,044**	66,490	**–**	–
Deposits and prepayments	**6,929**	7,197	**46**	33
Other receivables	**4,007**	3,209	**–**	–
	58,980	76,896	**46**	33

At 31 March 2009, the carrying amounts of trade and other receivables approximated their fair values.

Note: The Group allows in general a credit period ranging from 7 days to 120 days to its trade customers. At 31 March 2009 the ageing analysis of the Group's net trade receivables was as follows:

	Group	
	2009	2008
	US$'000	US$'000
0 to 60 days	**36,871**	46,826
61 to 120 days	**8,453**	13,964
121 to 180 days	**1,726**	4,136
Over 180 days	**994**	1,564
	48,044	66,490

The carrying amounts of net trade receivables were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**31,724**	42,569
HK dollars	**10,148**	14,248
Canadian dollars	**2,908**	5,057
US dollars	**1,655**	1,923
Renminbi	**1,430**	2,022
Others	**179**	671
	48,044	66,490

26 TRADE AND OTHER RECEIVABLES *(Continued)*

Note: *(Continued)*

The Group has trade receivables from customers engaged in various industries and who are not concentrated in any specific geographical area. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis to reduce the Group's exposure to bad debts. The credit period on trade receivables depending on the business area is 7 to 120 days.

At 31 March 2009, trade receivables that are neither past due nor impaired amounted to US$29,956,000 (2008: US$42,738,000), which represents about 62% (2008: 64%) of the net trade receivables balance. These balances relate to a wide range of customers for whom there was no recent history of default.

During the year ended 31 March 2009, the Group has recognised a loss of US$245,000 (2008: US$2,148,000) for the impairment of its trade receivables and directly written off an amount of US$67,000 (2008: US$84,000) as bad debts. The loss was included in selling and distribution expenses in the consolidated income statement.

As 31 March 2009, the ageing analysis of trade receivables that are past due but not impaired was as follows:

	Group	
	2009	2008
	US$'000	US$'000
Overdue by		
0 to 60 days	**9,952**	17,095
61 to 120 days	**6,699**	4,814
121 to 180 days	**1,226**	1,255
Over 180 days	**211**	588
	18,088	23,752

Movements in the provision for impairment of trade receivables were as follows:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**5,526**	3,052
Provision for impairment of receivables	**1,745**	3,468
Receivables written off during the year as uncollectible	**(968)**	(1,985)
Unused amounts reversed	**(1,500)**	–
Amounts collected subsequently	**–**	(1,320)
Acquisition of subsidiary – Nanyang	**–**	2,142
Exchange adjustments	**(621)**	169
At 31 March	**4,182**	5,526

The creation and release of provision for impaired receivables have been included in selling and distribution expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Deposits, prepayments and other receivables within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk as at 31 March 2009 was the carrying value of trade and other receivables.

Certain trade receivables amounting to US$7,912,000 (2008: US$6,653,000) were secured by deposits and bank guarantees provided by the customers.

27 CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank and in hand	**22,679**	18,397	**42**	47
Short-term bank deposits	**47,526**	58,162	**–**	–
	70,205	76,559	**42**	47
Maximum exposure to credit risk	**70,092**	76,392	**42**	47

The effective interest rates on short-term bank deposits ranged from 1.5% to 2% (2008: 3.19% to 4.02%) per annum; these deposits have an average maturity of 3 to 30 days (2008: 6 to 26 days).

Cash, cash equivalents and bank overdrafts included the following for the purpose of the consolidated cash flow statements:

	Group	
	2009	2008
	US$'000	US$'000
Cash and cash equivalents	**70,205**	76,559
Bank overdrafts, secured	**(2,428)**	(2,962)
	67,777	73,597

The carrying amounts of cash and cash equivalents were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
HK dollars	**23,100**	29,392
Ringgit Malaysia	**40,392**	38,701
Renminbi	**2,823**	3,704
US dollars	**2,665**	3,215
Canadian dollars	**558**	611
Others	**667**	936
	70,205	76,559

Included in the cash and cash equivalents of the Group were cash and bank deposits denominated in Renminbi and Ringgit Malaysia placed with banks in Mainland China and Malaysia amounting to US$2,823,000 and US$40,392,000 respectively (2008: US$3,704,000 and US$38,701,000 respectively), of which the currencies are subject to foreign exchange controls.

28 TRADE AND OTHER PAYABLES

	Group		Company	
	2009	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000
Trade payables *(note)*	**18,736**	20,267	**–**	–
Accrued charges	**20,191**	28,729	**1,584**	2,209
Subscriptions received in advance	**11,283**	9,986	**–**	–
	50,210	58,982	**1,584**	2,209

At 31 March 2009, the carrying amounts of trade and other payables approximated their fair values.

Note: At 31 March 2009, the ageing analysis of the Group's trade payables was as follows:

	Group	
	2009	2008
	US$'000	US$'000
0 to 60 days	**15,257**	16,494
61 to 120 days	**1,853**	1,769
121 to 180 days	**391**	764
Over 180 days	**1,235**	1,240
	18,736	20,267

29 SHARE CAPITAL

	Authorised share capital Ordinary shares of HK$0.10 each	
	No. of shares	US$'000
At 31 March 2008	2,500,000,000	32,175
At 31 March 2009	**2,500,000,000**	**32,175**

	Number of ordinary shares	Issued share capital US$'000	Share premium US$'000	Total US$'000
At 1 April 2007	404,435,000	5,205	13,480	18,685
Repurchase of ordinary shares	(3,166,000)	(41)	(707)	(748)
Exercise of share options	206,000	3	36	39
At 31 March 2008	**401,475,000**	**5,167**	**12,809**	**17,976**
Shares issued as consideration for the exchange of all the ordinary shares of Sin Chew and Nanyang *(note (a))*	**1,284,815,241**	**16,534**	**267,877**	**284,411**
Repurchase of ordinary shares *(note (b))*	**(2,482,000)**	**(31)**	**(541)**	**(572)**
Exercise of share options (*note (c)*)	**90,000**	**2**	**15**	**17**
At 31 March 2009	**1,683,898,241**	**21,672**	**280,160**	**301,832**

29 SHARE CAPITAL *(Continued)*

Notes:

(a) On 23 April 2008, 1,015,976,055 new ordinary shares of the Company of HK$0.1 each were allotted to the shareholders of Sin Chew as consideration for the exchange of all the ordinary shares of RM0.5 each in the issued share capital of Sin Chew; and 268,839,186 new ordinary shares of the Company of HK$0.1 each were allotted to the shareholders of Nanyang as consideration for the exchange of all the ordinary shares of RM1 each in the issued share capital of Nanyang.

Also on 23 April 2008, the approval granted by the HK Stock Exchange for the listing of and permission to deal in up to a total of 1,294,208,797 new shares (assuming full exercise of the outstanding options issued under Nanyang's employee share option scheme before completion of the merger of the Company, Sin Chew and Nanyang) issued to the shareholders of Sin Chew and Nanyang in exchange for Sin Chew shares and Nanyang shares, respectively, has become unconditional.

The Company's admission to the Official List of Bursa Securities and the listing of and quotation for the new shares on the main board of Bursa Securities took effect from 30 April 2008.

As such, from 30 April 2008, shareholders are entitled to trade the shares of the Company on both the HK Stock Exchange and Bursa Securities subject to the procedures as set out in the Company's circular dated 9 January 2008.

(b) During the current year under review, the Company repurchased a total of 2,482,000 (2008: 3,166,000) of its listed shares on the HK Stock Exchange for the purpose of enhancing the net asset value per share of the Company. Details of the repurchases are summarised as follows:

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

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

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

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

29 SHARE CAPITAL *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2009			2008		
	Average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.597**	**0.206**	**4,590,000**	1.591	0.205	4,843,000
Exercised	**1.411**	**0.182**	**(90,000)**	1.476	0.190	(206,000)
Lapsed	**1.592**	**0.205**	**(200,000)**	1.592	0.205	(47,000)
At 31 March	**1.601**	**0.207**	**4,300,000**	1.597	0.206	4,590,000

At 31 March 2009, all of the 4,300,000 outstanding options (2008: 4,590,000 options) were exercisable. Options exercised in 2009 resulted in 90,000 shares being issued at an average exercise price of HK$1.411 (US$0.182) each (2008: 206,000 shares at an average exercise price of HK$1.476 (US$0.190) each). The related weighted average share price at the time of exercise was HK$2.513 (US$0.324) per share.

All share options outstanding at the end of the year have the expiry date of 20 August 2011 and with the following exercise prices:

		Number of outstanding share options	
Exercise price per share in HK$	**Equivalents in US$**	**2009**	2008
1.320	0.170	**779,000**	839,000
1.592	0.205	**2,321,000**	2,551,000
1.800	0.232	**1,200,000**	1,200,000
		4,300,000	4,590,000

Under the specific transitional provisions of IFRS 2, an exemption from the treatment of equity-settled share-based payment transactions as required under IFRS 2 is allowed to shares, share options or other equity instruments which were granted before 7 November 2002 and had been vested by 1 January 2005. As such no share compensation expenses were recognised by the Group in relation to the above-mentioned share options.

The subsidiary of the Company, OMG, has two share option schemes. A pre-IPO share option scheme ("Pre-IPO Scheme") was approved and adopted by shareholders on 26 September 2005 ("Adoption Date"). Another share option scheme ("Post-IPO Scheme") was also approved on the same date, 26 September 2005 by the shareholders of OMG. The principal terms of the Pre-IPO Scheme are substantially the same as the terms of the Post-IPO Scheme (where applicable) except for the following principal terms: (a) the subscription price per share was the final Hong Kong dollar price per share at which shares of OMG were to be sold in an offer for sale in Hong Kong on its listing date; and (b) no options will be offered or granted upon the commencement of dealings in the shares of OMG on the HK Stock Exchange.

29 SHARE CAPITAL *(Continued)*

Notes: (Continued)

(c) *(Continued)*

Pursuant to the Pre-IPO Scheme and Post-IPO Scheme, the board of OMG may, at its absolute discretion, grant share options to any full time employees, executive and non-executive directors (including independent non-executive directors) of OMG or the Company (for so long as OMG remains a subsidiary of the Company) to subscribe for shares in OMG subject to the terms and conditions stipulated therein.

The period within which an option may be exercised under each of the Pre-IPO Scheme and Post-IPO Scheme will be determined and notified by the board of OMG in its absolute discretion (subject to any vesting periods, if applicable), save that no option may be exercised later than 10 years from the date of offer of the option or 10 years after the Adoption Date, whichever is earlier.

Movements in the number of outstanding share options of OMG's Pre-IPO Scheme and the average exercise prices are as follows:

	2009			2008		
	Average exercise price per share HK$	**Equivalents in US$**	**Number of outstanding share options**	Average exercise price per share HK$	Equivalents in US$	Number of outstanding share options
At 1 April	**1.200**	**0.155**	**13,778,000**	1.200	0.154	14,082,000
Lapsed	**1.200**	**0.155**	**(1,240,000)**	1.200	0.154	(304,000)
At 31 March	**1.200**	**0.155**	**12,538,000**	1.200	0.154	13,778,000

The above share options were conditionally granted on 27 September 2005 and the exercisable period is from 18 October 2005 to 25 September 2015 with 7,878,000 share options being exercisable as at 31 March 2009 (2008: 6,068,000 share options).

The fair value of options granted under the Pre-IPO Scheme was determined using the Binomial Option valuation model and amounted to US$821,000. The significant inputs into the model were share price of HK$1.200 (US$0.154) (being the IPO and placing share price of OMG), volatility of the underlying stock of 48% (being the volatility of the stock returns of listed companies in the media industry in Hong Kong), risk-free interest rate of 4.16% (being the yield of 10-year fund note issued by the Hong Kong Monetary Authority as at 23 September 2005, forfeiture rate of 5.7% per annum (with reference to historical staff turnover rates of OMG, its subsidiaries, fellow subsidiaries and related companies), and suboptimal exercise factor of 1.4 (being the factor to account for the early exercise behavior of the share option).

Share compensation costs on share options granted are amortised over the vesting periods of one year or five years in accordance with terms specified in the Pre-IPO Scheme. For the year ended 31 March 2009, US$91,000 (2008: US$229,000) was recognised in the consolidated income statement.

As at 31 March 2009, no option has been granted or agreed to be granted under the Post-IPO Scheme.

30 RESERVES

	Group											
	Attributable to equity holders of the Company											
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Merger reserve US$'000	Capital reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000	Retained earnings US$'000	Minority interest US$'000	Total US$'000
At 1 April 2008	152	7,480	417	(92,647)	284,411	(2,168)	(1,693)	602	196,554	106,746	7,952	311,252
Exchange adjustments	–	(33,640)	–	–	–	–	–	–	(33,640)	–	13	(33,627)
Actuarial losses of defined benefit plan assets	–	–	–	–	–	–	(817)	–	(817)	–	–	(817)
Actuarial losses of long service payment obligations	–	–	–	–	–	–	–	(439)	(439)	–	(23)	(462)
Net expense recognised directly in equity	–	(33,640)	–	–	–	–	(817)	(439)	(34,896)	–	(10)	(34,906)
Profit for the year	–	–	–	–	–	–	–	–	–	16,790	565	17,355
Total recognised (expense)/income for the year	–	(33,640)	–	–	–	–	(817)	(439)	(34,896)	16,790	555	(17,551)
Repurchase of ordinary shares	31	–	–	–	–	–	–	–	31	(31)	–	–
Shares issued as consideration for the exchange of all ordinary shares of Sin Chew and Nanyang	–	–	–	–	(284,411)	–	–	–	(284,411)	–	–	(284,411)
Distribution of assets by a subsidiary	–	–	–	–	–	–	–	–	–	–	(47)	(47)
Share compensation costs on share options granted by a listed subsidiary	–	–	56	–	–	–	–	–	56	–	35	91
2007–2008 final dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	(191)	(191)
2007–2008 second interim dividend paid	–	–	–	–	–	–	–	–	–	(15,275)	–	(15,275)
2008–2009 interim dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	(115)	(115)
2008–2009 first interim dividend paid	–	–	–	–	–	–	–	–	–	(7,578)	–	(7,578)
At 31 March 2009	183	(26,160)	473	(92,647)	–	(2,168)	(2,510)	163	(122,666)	100,652	8,189	(13,825)
Representing:												
2008–2009 second interim dividend proposed in lieu of a final dividend *(note 11)*										2,408		
Others										98,244		
Retained earnings at 31 March 2009										100,652		

30 RESERVES *(Continued)*

	Group												
	Attributable to equity holders of the Company												
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Asset revaluation surplus US$'000	Merger reserve US$'000	Capital reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000	Retained earnings US$'000	Minority interest US$'000	Total US$'000
At 1 April 2007	111	1,655	273	2,701	(92,647)	112,743	(2,168)	(751)	561	22,478	92,536	59,367	174,381
Exchange adjustments	–	5,825	–	–	–	–	–	–	–	5,825	–	4,637	10,462
Actuarial losses of defined benefit plan assets	–	–	–	–	–	–	–	(942)	–	(942)	–	–	(942)
Actuarial gains of long service payment obligations	–	–	–	–	–	–	–	–	41	41	–	(2)	39
Net income recognised directly in equity	–	5,825	–	–	–	–	–	(942)	41	4,924	–	4,635	9,559
Profit for the year	–	–	–	–	–	–	–	–	–	–	19,188	12,764	31,952
Total recognised income for the year	–	5,825	–	–	–	–	–	(942)	41	4,924	19,188	17,399	41,511
Acquisition of equity interest from minority shareholders of Sin Chew	–	–	–	–	–	112,157	–	–	–	112,157	–	(65,041)	47,116
Repurchase of ordinary shares	41	–	–	–	–	–	–	–	–	41	(41)	–	–
Write off of asset revaluation surplus	–	–	–	(2,701)	–	–	–	–	–	(2,701)	–	–	(2,701)
Acquisition of Nanyang	–	–	–	–	–	59,511	–	–	–	59,511	–	73	59,584
Share compensation costs on share options granted by a listed subsidiary	–	–	144	–	–	–	–	–	–	144	–	85	229
2006-2007 final dividend paid by Sin Chew	–	–	–	–	–	–	–	–	–	–	(3,900)	(3,881)	(7,781)
2006-2007 final dividend paid by a listed subsidiary	–	–	–	–	–	–	–	–	–	–	–	(50)	(50)
2007-2008 first interim dividend paid	–	–	–	–	–	–	–	–	–	–	(1,037)	–	(1,037)
At 31 March 2008	152	7,480	417	–	(92,647)	284,411	(2,168)	(1,693)	602	196,554	106,746	7,952	311,252

	Retained earnings US$'000
Representing:	
2007–2008 second interim dividend proposed in lieu of a final dividend *(note 11)*	15,610
Others	91,136
Retained earnings at 31 March 2008	106,746

30 RESERVES *(Continued)*

	Company					
	Capital redemption reserve US$'000	**Exchange fluctuation reserve** US$'000	**Capital reserve** US$'000	**Contributed surplus** US$'000	**Total** US$'000	**Retained earnings** US$'000
At 1 April 2008	**152**	**–**	**284,411**	**25,789**	**310,352**	**104,385**
Exchange adjustments	**–**	**(4)**	**–**	**–**	**(4)**	**–**
Repurchase of ordinary shares	**31**	**–**	**–**	**–**	**31**	**(31)**
Shares issued as consideration for the exchange of all ordinary shares of Sin Chew and Nanyang	**–**	**–**	**(284,411)**	**–**	**(284,411)**	**–**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**14,384**
2007–2008 second interim dividend paid	**–**	**–**	**–**	**–**	**–**	**(15,275)**
2008–2009 first interim dividend paid	**–**	**–**	**–**	**–**	**–**	**(7,578)**
At 31 March 2009	**183**	**(4)**	**–**	**25,789**	**25,968**	**95,885**
Representing:						
2008–2009 second interim dividend proposed in lieu of a final dividend *(note 11(b))*						**2,408**
Others						**93,477**
Retained earnings at 31 March 2009						**95,885**
At 1 April 2007	111	–	–	25,789	25,900	105,803
Repurchase of ordinary shares	41	–	–	–	41	(41)
Loss for the year	–	–	–	–	–	(340)
2007–2008 first interim dividend paid	–	–	–	–	–	(1,037)
Acquisition of Sin Chew	–	–	224,900	–	224,900	–
Acquisition of Nanyang	–	–	59,511	–	59,511	–
At 31 March 2008	152	–	284,411	25,789	310,352	104,385
Representing:						
2007–2008 second interim dividend proposed in lieu of a final dividend *(note 11(c))*						15,610
Others						88,775
Retained earnings at 31 March 2008						104,385

The contributed surplus of the Company arose when the Company issued shares in exchange for the shares of subsidiaries being acquired, and represented the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the equity holders of the Company. At Group level, the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries.

31 SHORT-TERM BANK LOANS

	Group	
	2009	2008
	US$'000	US$'000
Trust receipt loans, secured	**871**	–
Bankers' acceptances, unsecured	**7,875**	16,956
Revolving credits, unsecured	**5,833**	7,458
	14,579	24,414

The carrying amounts of short-term bank loans were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**13,708**	24,414
US dollars	**871**	–
	14,579	24,414

Trust receipt loans have a term of up to 120 days. The effective interest rate on trust receipt loans was 3.38% (2008: 7.44%) per annum.

The bankers' acceptances were unsecured, interest-bearing at rates ranging from 0.50% to 0.75% above the bankers' annual costs of funds. The effective interest rate on bankers' acceptances was 3.66% (2008: Nil) per annum.

The revolving credits were unsecured, interest-bearing at rates ranging from 0.50% to 1.00% above the KLIBOR per annum.

At 31 March 2009, the carrying amounts of short-term bank loans approximated their fair values.

32 LONG-TERM LIABILITIES

	Group	
	2009	2008
	US$'000	US$'000
Bank loans, secured *(note (a))*	**2,296**	10,188
Obligations under finance leases *(note (b))*	**1,213**	1,723
Retirement benefit obligations *(note (c))*	**1,552**	1,002
Defined benefit obligations *(note 23)*	**85**	–
	5,146	12,913
Current portion of long-term liabilities	**(2,074)**	(6,460)
	3,072	6,453

32 LONG-TERM LIABILITIES *(Continued)*

Notes:

(a) At 31 March 2009, the Group's secured bank loans were repayable as follows:

	Group	
	2009	2008
	US$'000	US$'000
Within one year	**1,602**	5,784
In the second year	**694**	3,611
In the third to fifth year	**–**	793
	2,296	10,188

The carrying amounts of the secured bank loans were denominated in the following currencies:

	Group	
	2009	2008
	US$'000	US$'000
Ringgit Malaysia	**2,296**	9,930
US dollars	**–**	258
	2,296	10,188

At 31 March 2009, the carrying amounts of the secured bank loans approximated their fair values.

At 31 March 2009, the Group's secured bank loans were analysed as follows:

	Group	
	2009	2008
	US$'000	US$'000
Floating rate		
within one year	**1,602**	5,526
in the second year	**694**	3,611
in the third to fifth year	**–**	793
Fixed rate		
within one year	**–**	258
	2,296	10,188

The effective interest rates on the secured bank loans ranged from 5.50% to 6.80% per annum during the year ended 31 March 2009 (2008: 4.70% to 6.80%).

(b) At 31 March 2009, the Group's finance lease liabilities were repayable as follows:

	Group	
	2009	2008
	US$'000	US$'000
Finance lease liabilities minimum lease payment		
within one year	**443**	678
in the second year	**325**	451
in the third to fifth year	**580**	796
	1,348	1,925
Future finance charges on finance leases	**(135)**	(202)
Present value of finance lease liabilities	**1,213**	1,723

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(b) *(Continued)*

The present value of finance lease liabilities was repayable as follows:

	Group 2009 US$'000	Group 2008 US$'000
Within one year	**385**	597
In the second year	**273**	397
In the third to fifth year	**555**	729
Present value of finance lease liabilities	**1,213**	1,723

The carrying amounts of finance lease liabilities were denominated in the following currencies:

	Group 2009 US$'000	Group 2008 US$'000
Ringgit Malaysia	**127**	248
Canadian dollars	**1,086**	1,475
	1,213	1,723

The effective interest rates on the finance lease liabilities ranged from 2.35% to 6.54% per annum during the year ended 31 March 2009 (2008: 2.35% to 9.43%).

At 31 March 2009, the Group has the following finance lease liabilities:

	Group 2009 US$'000	Group 2008 US$'000
Floating rate		
within one year	**305**	495
in the second year	**238**	305
in the third to fifth year	**543**	675
Fixed rate		
within one year	**80**	102
in the second year	**35**	92
in the third to fifth year	**12**	54
	1,213	1,723

At 31 March 2009, the carrying amounts of finance lease liabilities approximated their fair value (2008: same), which were based on cash flows discounted using rates based on the borrowing rates ranged from 2.35% to 6.54% per annum (2008: 2.35% to 9.43%).

(c) Retirement benefit obligations represent the present value of the Group's obligations under the following:

(i) the long service payments and respective actuarial gains for its employees in Hong Kong; and

(ii) an unfunded, defined benefit retirement benefit scheme (the "Malaysia Scheme") for its eligible employees in Malaysia.

The movement during the year was the net-off of current service costs and interest on obligation against long service payments made during the year. Current service costs and interest on obligations have been recognised during the year and included in employee benefit expense (note 13).

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

The amounts recognised in the consolidated balance sheet were as follows:

	Group 2009 US$'000	2008 US$'000
Present value of the obligations	**1,552**	1,002

The obligations are analysed as follows:

	Group 2009 US$'000	2008 US$'000
Within one year	**87**	79
In the second to fifth year	**319**	380
Over five years	**1,146**	543
	1,552	1,002

Movements in the obligations during the year were as follows:

	Group 2009 US$'000	2008 US$'000
At 1 April	**1,002**	188
Current service costs	**198**	12
Interest cost	**41**	7
Long service payments made	**(52)**	(9)
Actuarial losses/(gains) of long service payment obligations	**462**	(39)
Acquisition of subsidiary – Nanyang	**–**	843
Exchange difference	**(99)**	–
At 31 March	**1,552**	1,002

The amounts recognised in the consolidated statement of recognised income and expense were as follows:

	Group 2009 US$'000	2008 US$'000
Cumulative amount of actuarial gains at the beginning of the year	**596**	557
Net actuarial (losses)/gains during the year	**(462)**	39
Cumulative amount of actuarial gains at the end of the year	**134**	596

32 LONG-TERM LIABILITIES *(Continued)*

Notes: *(Continued)*

(c) *(Continued)*

The amounts recognised in the consolidated income statement were as follows:

	Group 2009 US$'000	2008 US$'000
Current service costs	**198**	12
Interest cost	**41**	7
Total included in employee benefit expense *(note 13)*	**239**	19

The principal actuarial assumptions used were as follows:

For long service payment obligations

	Group 2009	2008
Average future working lifetime (in years)	**17**	16
Discount rate	**1.9%**	2.6%
Expected rate of return of assets	**4%-7%**	4%-7%
Expected rate of future salary increases		
2008	**–**	3%
2009	**–**	4%
2010 and onwards	**4%**	4%

For obligations under the Malaysia Scheme

	Group 2009	2008
Discount rate	**6.4%**	6.4%
Expected inflation of price	**3.5%**	3.5%
Expected rate of salary increases	**7.0%**	7.0%

	Group 2009 US$'000	2008 US$'000
At 31 March		
Present value of retirement benefit obligations	**1,552**	1,002
Experience gains/(losses) on long service payment obligations	**476**	(60)

33 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Cash generated from operations

	Group	
	2009	2008
	US$'000	US$'000
Operating profit	**32,326**	44,471
Fair value losses on financial assets at fair value through profit or loss	**1,184**	322
Fair value gains on investment properties	**(101)**	–
Depreciation of property, plant and equipment	**9,745**	7,614
Amortisation of leasehold land and land use rights	**647**	448
Amortisation of intangible assets	**800**	506
Provision for impairment and written-off of receivables	**312**	2,232
Provision for inventory obsolescence	**103**	113
Negative goodwill arising on the acquisition of Nanyang	**–**	(13,094)
Provision for impairment of goodwill and intangible assets	**3,895**	5,393
Dividend income	**(11)**	(11)
Interest income	**(1,673)**	(2,153)
Gain on disposals of property, plant and equipment, leasehold land and land use rights – net	**(25)**	(308)
Share compensation costs on share options granted by a listed subsidiary	**91**	229
Pension income	**(71)**	(32)
Provision for long service payments	**239**	19
Operating profit before working capital changes	**47,461**	45,749
Decrease/(increase) in inventories	**3,680**	(8,317)
Decrease/(increase) in trade and other receivables	**12,155**	(2,015)
(Decrease)/increase in trade and other payables	**(4,295)**	1,735
Cash generated from operations	**59,001**	37,152

33 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

(b) Analysis of changes in financing during the year

	Dividend payable		Short-term and long-term bank loans		Obligations under finance leases		Share capital and share premium	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
At 1 April	**–**	–	**34,602**	17,170	**1,723**	1,089	**17,976**	18,685
Exchange differences	**–**	–	**(2,829)**	633	**(337)**	103	**–**	–
Net cash (outflow)/inflow from financing	**(23,206)**	(8,868)	**(14,898)**	(12,887)	**(173)**	531	**(572)**	(748)
Transfer from capital reserve	**–**	–	**–**	–	**–**	–	**284,411**	–
Exercise of share options	**–**	–	**–**	–	**–**	–	**17**	39
Dividends	**23,159**	8,868	**–**	–	**–**	–	**–**	–
Distribution of assets by a subsidiary	**47**	–	**–**	–	**–**	–	**–**	–
Acquisition of subsidiary – Nanyang	**–**	–	**–**	29,686	**–**	–	**–**	–
At 31 March	**–**	–	**16,875**	34,602	**1,213**	1,723	**301,832**	17,976

(c) Major non-cash transactions

(i) During the year ended 31 March 2009, the intangible assets impaired by US$3,895,000 due to diminution in value of Nanyang Siang Pau's masthead to its fair value at the balance sheet date.

(ii) 506,667,259 shares and 268,839,186 shares were deemed to have been issued on 31 March 2008 for the acquisition of the remaining equity interest from the minority shareholders of Sin Chew and for the 100% equity interest in Nanyang respectively. All the deemed issues had been credited to the capital reserve at fair values at 31 March 2008 and were transferred to share capital and share premium on 23 April 2008, the actual shares issuance date.

(iii) During the year ended 31 March 2008, minority interests decreased by US$65,041,000 to reflect the adjustment as disclosed in (ii) above.

(d) In the cash flow statement, proceeds from disposals of property, plant and equipment, leasehold land and land use rights comprise:

	Group	
	2009	2008
	US$'000	US$'000
Net book value		
Property, plant and equipment *(note 15)*	**212**	230
Leasehold land and land use rights *(note 17)*	**–**	263
	212	493
Gain on disposals of property, plant and equipment, leasehold land and land use rights – net	**25**	308
Proceeds from disposals of property, plant and equipment, leasehold land and land use rights	**237**	801

34 BANKING FACILITIES AND PLEDGE OF ASSETS

At 31 March 2009, the Group's banking facilities were secured by the following:

(a) certain machinery and printing equipment with net book value of US$903,000 at 31 March 2009 (2008: US$18,950,000);

(b) first legal charges on certain of the Group's freehold and leasehold land and buildings and land use rights with an aggregate carrying value of US$21,586,000 at 31 March 2009 (2008: US$22,963,000) and assignment of rental income derived therefrom;

(c) first legal charges on certain of the Group's publishing titles;

(d) general security agreements under which all the assets of certain subsidiaries with net book value of US$14,964,000 at 31 March 2009 (2008: US$18,752,000) were pledged to certain banks, including US$2,354,000 (2008: US$3,181,000) attributable to freehold properties disclosed under note (b) above; and

(e) corporate guarantees issued by the Company.

35 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under liability method using rates of taxation prevailing in the countries in which the Group operates. The taxation rate used for the Group's Hong Kong operations is 16.5% and for the Group's Malaysian operations is 25% (2008: 17.5% in Hong Kong, 25% in Malaysia).

The movements in net deferred income tax liabilities during the year were as follows:

	Group	
	2009	2008
	US$'000	US$'000
At 1 April	**5,200**	1,461
Deferred income tax charged to the consolidated income statement *(note 9)*	**3,063**	1,110
Acquisition of subsidiary – Nanyang	**–**	2,506
Exchange adjustments	**(444)**	123
At 31 March	**7,819**	5,200

35 DEFERRED INCOME TAX *(Continued)*

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

	Accelerated tax depreciation US$'000	Provision for doubtful debts US$'000	Provision for employee benefits and other liabilities US$'000	Decelerated tax depreciation US$'000	Tax losses US$'000	Revaluation on other properties US$'000	Unutilised reinvestment allowance US$'000	Total US$'000
At 1 April 2007	6,539	(60)	(175)	(14)	(4,537)	(292)	–	1,461
(Credited)/charged to consolidated income statement	(84)	(211)	(13)	1	1,434	(17)	–	1,110
Acquisition of subsidiary – Nanyang	3,841	(21)	(755)	(672)	–	2,336	(2,223)	2,506
Exchange adjustments	330	(7)	(14)	–	(186)	–	–	123
At 31 March 2008	10,626	(299)	(957)	(685)	(3,289)	2,027	(2,223)	5,200
At 1 April 2008	**10,626**	**(299)**	**(957)**	**(685)**	**(3,289)**	**2,027**	**(2,223)**	**5,200**
Charged/(credited) to consolidated income statement	**1,759**	**69**	**(412)**	**130**	**431**	**(45)**	**1,131**	**3,063**
Exchange adjustments	**(1,162)**	**19**	**166**	**76**	**211**	**(1)**	**247**	**(444)**
At 31 March 2009	**11,223**	**(211)**	**(1,203)**	**(479)**	**(2,647)**	**1,981**	**(845)**	**7,819**

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of US$75,101,000 (2008: US$55,301,000) to carry forward against future taxable income. Losses amounting to US$37,743,000 (2008: US$34,082,000) will expire within twenty years. The remaining tax losses amounting to US$37,358,000 (2008: US$21,219,000) can be carried forward indefinitely.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off and that the deferred income taxes relate to the same tax jurisdiction. The following amounts, determined after appropriate offsetting, were shown in the consolidated balance sheet.

	Group	
	2009 US$'000	2008 US$'000
Deferred income tax assets:		
to be recovered within 12 months	**(110)**	(213)
to be recovered after 12 months	**(2,320)**	(3,417)
	(2,430)	(3,630)
Deferred income tax liabilities:		
to be recovered within 12 months	**89**	320
to be recovered after 12 months	**10,160**	8,510
	10,249	8,830

36 COMMITMENT

(a) Operating lease commitments

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

	Group	
	2009	2008
	US$'000	US$'000
Within one year	**1,649**	2,103
Later than one year and not later than five years	**992**	1,497
Later than five years	**13**	28
	2,654	3,628

(b) Capital commitments

Capital commitments outstanding at the balance sheet date were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Property, plant and equipment and leasehold land and land use rights		
Authorised and contracted for	**14,662**	734
Authorised but not contracted for	**4,210**	4,913
	18,872	5,647
Authorised capital injection for a subsidiary contracted but not provided for	**439**	–

37 BUSINESS COMBINATION

Pursuant to the merger as disclosed in notes 1 and 29(a), 268,839,186 ordinary shares of the Company of HK$0.1 each were deemed to have been issued on 31 March 2008 for the acquisition of 100% equity interest in Nanyang. If the acquisition had occurred on 1 April 2007, the Group's revenue and net profit for the year ended 31 March 2008 would have been US$92,347,000 and US$5,786,000 higher respectively. These amounts have been calculated by adjusting the results of Nanyang using the Group's accounting policies. The acquisition has been recorded using the purchase method.

Details of the net assets acquired and negative goodwill were as follows:

	Group	
	2009	2008
	US$'000	US$'000
Purchase consideration		
Fair value of shares issued *(note (a))*	–	59,511
Direct costs relating to the acquisition	–	2,994
Total purchase consideration	–	62,505
Fair value of net assets acquired	–	(75,599)
Negative goodwill arising on the acquisition of Nanyang *(note b)*	–	(13,094)

37 BUSINESS COMBINATION *(Continued)*

Notes:

(a) The fair value of the shares issued was based on the closing share price of the Company as quoted by the HK Stock Exchange at 31 March 2008.

(b) The negative goodwill was attributable to the improved viability of Nanyang's operations as a result of its management's strategic plans. The negative goodwill was recognised directly in the consolidated income statement.

The assets and liabilities arising from the acquisition of Nanyang were as follows:

	Fair value US$'000	**Acquiree's carrying amount** US$'000
Property, plant and equipment	46,974	39,460
Investment properties	5,487	5,487
Leasehold land and land use rights	1,830	361
Archives, mastheads and publishing rights and computer softwares (included in intangible assets) *(note 18)*	21,119	603
Deferred income tax assets	84	84
	75,494	45,995
Current assets	48,289	48,286
Current liabilities	(42,130)	(42,130)
Long-term liabilities	(3,391)	(3,391)
Deferred income tax liabilities	(2,590)	(255)
	75,672	48,505
Minority interests	(73)	
Net assets acquired	75,599	
Cash and cash equivalents in Nanyang acquired		5,194
Direct costs paid for the acquisition		(1,718)
		3,476

38 RELATED PARTY TRANSACTIONS AND BALANCES

At 31 March 2008, the directors regarded Conch Company Limited ("Conch"), a company incorporated in the British Virgin Islands, as being the ultimate holding company.

Upon the issue of shares on 23 April 2008 as disclosed in note 29(a), Conch was no longer the ultimate holding company as its shareholding in the Company has been reduced to approximately 15%.

38 RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(a) Transactions with related parties

	Group	
	2009	2008
	US$'000	US$'000
Advertising sales received from a directors' related company	**–**	(110)
Motor vehicle insurance premium paid to a directors' related company	**1**	2
Newsprint purchases from a directors' related company	**58,978**	28,375
Rental expenses paid to related companies of directors	**1,138**	1,186
Rental income received from a director's related company	**(5)**	–
Purchases of air tickets from a directors' related company	**8**	8
Scrap sales of old newspapers and magazines to a directors' related company	**(1,008)**	–

All the transactions above have been entered into in the normal course of business and have been charged at pre-determined rates agreed mutually by the parties involved.

(b) Key management compensation

	Group	
	2009	2008
	US$'000	US$'000
Directors' fees, basic salaries, discretionary bonuses, other allowances and benefits in kind	**2,153**	1,582
Contributions to pension scheme	**163**	130
Share compensation costs on share options granted by a listed subsidiary	**21**	45
	2,337	1,757

(c) Related party balances

At 31 March 2009, there was no balance due from or to any related party (2008: Nil).

39 FINANCIAL GUARANTEES

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

40 CONTINGENT LIABILITIES

At 31 March 2009, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings was still uncertain as of the date of these consolidated financial statements, the directors are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

41 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current's year presentation. These reclassifications have no impact on the Group's total equity as at both 31 March 2009 and 2008 or on the Group's profit for the years ended 31 March 2009 and 2008.

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES

(a) Particulars of principal subsidiaries at 31 March 2009 that are incorporated in Hong Kong are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Charming Holidays Limited	1,000,000 ordinary shares of HK$1 each	100	Provision of travel and travel related services
Cheerlane Development Limited	2 ordinary shares of HK$1 each	100	Property investment
Holgain Limited	2 ordinary shares of HK$10 each	100	Property investment
Intelligent Printing Limited	2 ordinary shares of HK$1 each	100	Investment holding
Intelligent Publications (China) Limited	1,000,000 ordinary shares of HK$1 each	100	Investment holding
Kin Ming Printing Company Limited	100 ordinary shares of HK$100 each	100	Provision of printing services
Maribo Brief Limited	2 ordinary shares of HK$1 each	100	Property investment
Media2U Company Limited	101 ordinary shares of HK$1 each	62.83	Magazines advertising & operation
Mingpao.com Limited	2 ordinary shares of HK$1 each	97.78	Internet related businesses
Ming Pao Holdings Limited	900 ordinary shares of HK$1,000 each and 100 non-voting deferred shares of HK$1,000 each	100	Investment holding
Ming Pao Holdings (North America) Limited	2 ordinary shares of HK$1 each	100	Investment holding
Ming Pao Magazines Limited	165,000 ordinary shares of HK$10 each	62.83	Magazines publishing
Ming Pao Newspapers Limited	2 ordinary shares of HK$1 each	100	Newspaper and periodical publishing
Ming Pao Publications Limited	10 ordinary shares of HK$1 each	100	Books publishing
Yazhou Zhoukan Limited	9,500 ordinary shares of HK$1 each	100	Magazine publishing

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(b) Particulars of principal subsidiaries at 31 March 2009 that are incorporated in Malaysia are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
The China Press Berhad	4,246,682 ordinary shares of RM1 each	99.75	Publication of newspapers and provision of printing services
CittaBella (Malaysia) Sdn Bhd	1,000,000 ordinary shares of RM1 each	100	Publication and distribution of magazines
Guang-Ming Ribao Sdn Bhd	4,000,000 ordinary shares of RM1 each	100	Publishing, printing and distribution of newspaper "*Guang Ming Daily*" and distribution of magazines and other publications
Life Publishers Berhad	9,000,000 ordinary shares of RM1 each	100	Publication of newspaper and magazines
Media Communications Sdn Bhd	100,000 ordinary shares of RM1 each	100	Publishing and distribution of magazines
Mulu Press Sdn Bhd	500,000 ordinary shares of RM1 each	100	Newspaper circulation and distribution agent and providing editorial and advertising services
MCIL Multimedia Sdn Bhd (formerly known as Nanyang Online Sdn Bhd)	10,000,000 ordinary shares of RM1 each	100	Electronic commerce activities through the internet and multimedia
Nanyang Press Holdings Berhad	76,107,375 ordinary shares of RM1 each	100	Investment holding, letting of properties and provision of management services
Nanyang Press Marketing Sdn Bhd	1,000,000 ordinary shares of RM1 each	100	Provision of marketing service of newspaper products
Nanyang Siang Pau Sdn Bhd	60,000,000 ordinary shares of RM1 each	100	Publishing and selling of newspapers and magazines
Sinchew-i Sdn Bhd	4,500,000 ordinary shares of RM1 each	100	Providing contents to web and mobile users, web hosting and designing, web advertising, and web audio video broadcasting
Sin Chew Media Corporation Berhad	302,000,000 ordinary shares of RM0.50 each	100	Investment holding, publishing, printing and distribution of newspaper "*Sin Chew Daily*", printing of newspapers for other publishers and distribution of magazines

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of principal subsidiaries at 31 March 2009 that are incorporated outside Hong Kong and Malaysia are as follows:

Name of subsidiary	Place of incorporation and operation	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Beijing OMG Advertising Company Limited (formerly known as Media2U (Beijing) Company Limited)	The People's Republic of China	RMB6,463,516	62.83	Magazines operation
Beijing OMG M2U Advertising Company Limited	The People's Republic of China	RMB30,000,000	62.83	Magazines advertising
Beijing Times Resource Technology Consulting Limited *(notes (2) & (4))*	The People's Republic of China	RMB3,000,000	62.83	Magazines operation
Comwell Investment Limited	British Virgin Islands	1 ordinary share at no par value	100	Investment holding
Delta Tour & Travel Services (Canada), Inc.	Canada	850,000 common shares at no par value for CAD530,000	100	Provision of travel and travel related services
Delta Tour & Travel Services, Inc.	The United States of America	461,500 common shares at no par value for US$300,500	100	Provision of travel and travel related services
First Collection Limited	British Virgin Islands	1 ordinary share of US$1	100	Investment holding
Guangzhou Kin Ming Printing Limited *(notes (3) & (4))*	The People's Republic of China	HK$25,000,000	100	Provision of printing services
Media2U (BVI) Company Limited	British Virgin Islands	1 ordinary share of US$1	62.83	Investment holding
Media Chinese International Holdings Limited	British Virgin Islands	1 ordinary share at no par value	100	Investment holding
Mingpao.com Holdings Limited	Cayman Islands	717,735 ordinary shares of HK$0.1 each	97.78	Investment holding
Ming Pao Enterprise Corporation Limited	Cayman Islands	1 ordinary share of US$1	100	Investment holding
Ming Pao Finance Limited	British Virgin Islands	10 ordinary shares of US$1 each	100	Publishing titles holding
Ming Pao Holdings (Canada) Limited	Canada	1 common share at no par value for CAD1	100	Investment holding
Ming Pao Holdings (USA) Inc.	The United States of America	1 common share of US$1	100	Investment holding
Ming Pao Investment (Canada) Limited	Canada	1 common share of CAD1	100	Investment holding
Ming Pao Investment (USA) L.P.	The United States of America	1,000 units for US$150,150	100	Newspaper publishing
Ming Pao Newspapers (Canada) Limited	Canada	1,001 common shares at no par value for CAD11	100	Newspapers publishing

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of principal subsidiaries at 31 March 2009 that are incorporated outside Hong Kong and Malaysia are as follows: *(Continued)*

Name of subsidiary	Place of incorporation and operation	Particulars of issued and fully paid share capital/registered capital	Effective equity interest %	Principal activities
Ming Pao (New York) Inc.	The United States of America	1 common share of US$1	100	Dormant
Ming Pao (San Francisco) Inc.	The United States of America	1 common share of US$1	100	Dormant
MP Printing Inc.	The United States of America	1 common share of US$1	100	Dormant
One Media Group Limited	Cayman Islands	400,000,000 ordinary shares of HK$0.001 each	62.83	Investment holding
One Media Holdings Limited	British Virgin Islands	20,000 ordinary shares of US$0.01 each	62.83	Investment holding
Starsome Limited	British Virgin Islands	10 ordinary shares of US$1 each	100	Investment holding
Top Plus Limited	British Virgin Islands	10 ordinary shares of US$1 each	62.83	Investment holding
Yazhou Zhoukan Holdings Limited	British Virgin Islands	12,000 ordinary shares of HK$1 each	100	Investment holding

Notes:

(1) All companies operate in their respective places of incorporation, except for Comwell Investment Limited, First Collection Limited, Media2U (BVI) Company Limited, Media Chinese International Holdings Limited, Mingpao.com Holdings Limited, Ming Pao Enterprise Corporation Limited, Ming Pao Finance Limited, One Media Group Limited, One Media Holdings Limited, Starsome Limited, Top Plus Limited and Yazhou Zhoukan Holdings Limited, which operate principally in Hong Kong.

(2) Beijing Times Resource Technology Consulting Limited ("TRT") is a domestic enterprise in the People's Republic of China ("PRC") owned legally by PRC nationals. The Group has entered into contractual arrangements with the legal owners of this company so that the decision-making rights, operating and financing activities of TRT are ultimately controlled by the Group. The Group is also entitled to substantially all of the operating profits and residual benefits generated by TRT under these arrangements. In particular, the legal owners of TRT are required under their contractual arrangements with the Group to transfer their interests in TRT to the Group or the Group's designee upon the Group's request at a pre-agreed nominal consideration. Further, the Group can receive the cash flow derived from the operations of TRT through the levying of service and consultancy fees. The ownership interests in TRT have also been pledged by the legal owners of this company to the Group. Based on the above, the directors regard TRT as a subsidiary of the Company.

(3) The subsidiary was established in PRC in the form of a wholly-owned foreign enterprise.

(4) The subsidiaries have 31 December as their financial accounting year end date, which is not coterminous with that of the Group for the reason of compliance with local regulations.

The above table includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Additional Compliance Information

STATUTORY DECLARATION

Pursuant to Paragraph 4A.18 of the Listing Requirements of Bursa Malaysia Securities Berhad

I, FU Shuk Kuen, being the officer primarily responsible for the financial management of Media Chinese International Limited, do solemnly and sincerely declare that the financial statements set out on pages 78 to 156 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (Chapter 11) of the Laws of Hong Kong.

Subscribed and solemnly declared by FU Shuk Kuen
at Hong Kong
on 25 June 2009

Before me,

Notary Public

Five-Year Financial Summary

The results of the Group for the last five financial years were as follows:

	Group				
	2009	2008	2007	2006	2005
	US$'000	US$'000	US$'000	US$'000	US$'000
Turnover	**394,303**	328,260	304,563	280,118	255,255
Profit attributable to equity holders of the Company	**16,790**	19,188	11,489	15,928	13,559
Basic earnings per share (US cents)	**1.00**	2.10	1.26	1.76	1.50

The assets and liabilities of the Group for the last five financial years were as follows:

	As at 31 March				
	2009	2008	2007	2006	2005
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	**99,692**	112,603	63,558	60,797	60,428
Investment properties	**6,224**	7,056	1,455	1,353	1,321
Leasehold land and land use rights	**22,445**	24,262	22,479	21,782	22,104
Intangible assets	**14,861**	22,022	6,000	8,990	386
Goodwill	**54,620**	62,450	15,782	11,360	11,090
Non-current assets held for sale	**77**	–	–	–	–
Interests in associated companies	**–**	–	–	–	2,858
Financial assets at fair value through profit or loss	**–**	1,128	972	–	–
Available-for-sale investments	**–**	–	–	264	258
Defined benefit plan assets	**–**	579	1,419	1,389	1,890
Deferred income tax assets	**2,430**	3,630	4,589	4,329	4,281
	200,349	233,730	116,254	110,264	104,616
Current assets	**173,057**	207,666	145,242	140,276	124,464
Current liabilities	**(72,078)**	(96,885)	(57,014)	(56,798)	(58,207)
Net current assets	**100,979**	110,781	88,228	83,478	66,257
Total assets less current liabilities	**301,328**	344,511	204,482	193,742	170,873
Minority interests	**(8,189)**	(7,952)	(59,367)	(54,169)	(40,663)
Long-term liabilities	**(3,072)**	(6,453)	(5,366)	(8,762)	(14,584)
Deferred income tax liabilities	**(10,249)**	(8,830)	(6,050)	(5,350)	(4,686)
Equity holders' funds	**279,818**	321,276	133,699	125,461	110,940

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
Turnover	**1,437,826**	1,197,000
Cost of goods sold	**(960,073)**	(773,681)
Gross profit	**477,753**	423,319
Other income	**23,607**	17,044
Other gains, net	**5,481**	5,109
Negative goodwill arising on the acquisition of Nanyang	**–**	47,747
Selling and distribution expenses	**(217,054)**	(183,379)
Administrative expenses	**(134,833)**	(111,390)
Other operating expenses	**(37,077)**	(36,286)
Operating profit	**117,877**	162,164
Finance costs	**(4,708)**	(2,589)
Profit before income tax	**113,169**	159,575
Income tax expense	**(49,884)**	(43,062)
Profit for the year	**63,285**	116,513
Attributable to:		
Equity holders of the Company	**61,225**	69,969
Minority interests	**2,060**	46,544
	63,285	116,513
Earnings per share attributable to the equity holders of the Company		
Basic (RM sens)	**3.65**	7.66
Diluted (RM sens)	**3.65**	7.66
Dividends		
First interim dividend in respect of current year, paid (2007–2008: paid)	**27,633**	3,781
Second interim dividend in respect of current year, proposed (2007–2008: paid)	**8,781**	55,700

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED BALANCE SHEET

As at 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
ASSETS		
Non-current assets		
Property, plant and equipment	**363,527**	410,607
Investment properties	**22,696**	25,730
Leasehold land and land use rights	**81,846**	88,471
Intangible assets	**54,191**	80,303
Goodwill	**199,172**	227,724
Non-current assets held for sale	**281**	–
Financial assets at fair value through profit or loss	**–**	4,113
Defined benefit plan assets	**–**	2,111
Deferred income tax assets	**8,861**	13,237
	730,574	852,296
Current assets		
Inventories	**152,963**	184,261
Available-for-sale financial assets	**2,355**	2,349
Financial assets at fair value through profit or loss	**806**	1,007
Trade and other receivables	**215,071**	280,401
Income tax recoverable	**3,854**	10,064
Cash and cash equivalents	**256,003**	279,172
	631,052	757,254
Current liabilities		
Trade and other payables	**183,091**	215,078
Income tax liabilities	**10,163**	14,830
Short-term bank loans	**53,162**	89,026
Bank overdrafts, secured	**8,854**	10,801
Current portion of long-term liabilities	**7,563**	23,556
	262,833	353,291
Net current assets	**368,219**	403,963
Total assets less current liabilities	**1,098,793**	1,256,259
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	**79,027**	18,841
Share premium	**1,021,603**	46,708
Other reserves	**(447,301)**	716,734
Retained earnings		
– Proposed dividend	**8,781**	56,922
– Others	**358,247**	332,327
	1,020,357	1,171,532
Minority interests	**29,861**	28,997
Total equity	**1,050,218**	1,200,529
Non-current liabilities		
Long-term liabilities	**11,202**	23,531
Deferred income tax liabilities	**37,373**	32,199
	48,575	55,730
	1,098,793	1,256,259

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

BALANCE SHEET

As at 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
ASSETS		
Non-current assets		
Interests in subsidiaries	**1,569,968**	1,270,539
Current assets		
Amounts due from subsidiaries	**3,569**	314,730
Trade and other receivables	**168**	120
Income tax recoverable	**–**	383
Cash and cash equivalents	**153**	171
	3,890	315,404
Current liabilities		
Amounts due to subsidiaries	**23,115**	–
Trade and other payables	**5,776**	8,055
	28,891	8,055
Net current (liabilities)/assets	**(25,001)**	307,349
Total assets less current liabilities	**1,544,967**	1,577,888
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	**79,027**	18,841
Share premium	**1,021,603**	46,708
Other reserves	**94,693**	1,131,699
Retained earnings		
– Proposed dividend	**8,781**	56,922
– Others	**340,863**	323,718
Total equity	**1,544,967**	1,577,888

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the year ended 31 March 2009

	2009	2008
	RM'000	RM'000
	(note)	*(note)*
Currency translation differences	**(122,621)**	38,150
Actuarial losses of defined benefit plan assets	**(2,979)**	(3,435)
Actuarial (losses)/gains of long service payment obligations	**(1,685)**	142
Net (expense)/income recognised directly in equity	**(127,285)**	34,857
Profit for the year	**63,285**	116,513
Total recognised (expense)/income for the year	**(64,000)**	151,370
Attributable to:		
Equity holders of the Company	**(66,024)**	87,925
Minority interests	**2,024**	63,445
	(64,000)	151,370

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2009

	2009 RM'000 *(note)*	2008 RM'000 *(note)*
Cash flows from operating activities		
Cash generated from operations	**215,148**	135,474
Interest on bank loans and overdrafts	**(4,405)**	(2,203)
Interest element of finance lease payments	**(303)**	(386)
Profits tax paid	**(36,225)**	(31,447)
Long service payments made	**(190)**	(33)
Contributions to the defined benefit plan	**(292)**	(255)
Net cash generated from operating activities	**173,733**	101,150
Cash flows from investing activities		
Purchase of property, plant and equipment	**(35,298)**	(21,139)
Purchase of investment properties	**(116)**	–
Purchase of leasehold land and land use rights	**(573)**	–
Purchase of intangible assets	**(861)**	(484)
Purchase of financial assets at fair value through profit or loss	**–**	(10,983)
Proceeds from disposals of property, plant and equipment, leasehold land and land use rights	**864**	2,920
Proceeds from redemption of listed investment	**–**	9,152
Net cash inflow in respect of the acquisition of Nanyang	**–**	14,163
Professional fees paid for the acquisition of equity interest from minority shareholders of Sin Chew	**–**	(2,461)
Interest received	**6,101**	7,851
Dividends received	**40**	40
Net cash used in investing activities	**(29,843)**	(941)
Cash flows from financing activities		
Repurchase of ordinary shares	**(2,086)**	(2,727)
Proceeds from exercise of share options	**62**	142
Distribution of assets by a subsidiary	**(171)**	–
Dividends paid	**(83,333)**	(3,781)
Dividends paid by Sin Chew	**–**	(28,373)
Dividends paid by a listed subsidiary	**(1,115)**	(182)
Repayment of bank loans	**(26,277)**	(43,842)
Repayment of short-term bank loans	**(28,049)**	(3,151)
Proceeds from capital element of finance lease payments	**1,608**	4,565
Capital element of finance lease payments	**(2,239)**	(2,629)
Net cash used in financing activities	**(141,600)**	(79,978)
Net increase in cash and cash equivalents, and bank overdrafts	**2,290**	20,231
Cash and cash equivalents, and bank overdrafts as at 1 April	**268,371**	236,745
Exchange adjustments on cash and cash equivalents, and bank overdrafts	**(23,512)**	11,395
Cash and cash equivalents, and bank overdrafts as at 31 March	**247,149**	268,371

Note: The presentation currency of these consolidated financial statements is US$. Supplementary information in RM for the year ended 31 March 2009 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.6465 ruling at 31 March 2009. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Analysis of Shareholdings

As at 16 July 2009

Authorised share capital	:	HK$250,000,000 divided into 2,500,000,000 ordinary shares of HK$0.10 each
Issued and paid-up capital	:	HK$168,389,824.10
Class of shares	:	ordinary shares of HK$0.10 each
Voting rights	:	one vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	Number of shareholders	% of shareholders	Number of shares held	% of issued capital
Less than 100	355	3.64	16,038	–*
100 to 1,000	1,187	12.18	757,823	0.05
1,001 to 10,000	5,731	58.81	24,601,614	1.46
10,001 to 100,000	2,196	22.53	54,266,096	3.22
100,001 to less than 5% of issued shares	272	2.79	697,579,775	41.43
5% and above of issued shares	5	0.05	906,676,895	53.84
Total	9,746	100.00	1,683,898,241	100.00

* negligible

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS

	Name of shareholders	Number of shares held	% of issued capital
1	Progresif Growth Sdn Bhd	326,663,556	19.40
2	HSBC Nominees (Hong Kong) Limited	179,222,700	10.64
3	HKSCC Nominees Limited	160,061,798	9.51
4	Zaman Pemimpin Sdn Bhd	154,219,783	9.16
5	TIONG Hiew King	86,509,058	5.14
6	Ezywood Options Sdn Bhd	75,617,495	4.49
7	Employees Provident Fund Board	70,799,817	4.20
8	Teck Sing Lik Enterprise Sdn Bhd	65,319,186	3.88
9	Huaren Management Sdn Bhd	60,394,191	3.59
10	Madigreen Sdn Bhd	52,875,120	3.14
11	Persada Jaya Sdn Bhd	40,695,560	2.42
12	HSBC Nominees (Asing) Sdn Bhd (Exempt AN For Credit Suisse (HK BR-TST-ASING))	23,843,478	1.42
13	Citigroup Nominees (Asing) Sdn Bhd (CGML IPB For Trophy Fund)	22,137,300	1.31
14	Lembaga Tabung Angkatan Tentera	20,244,500	1.20
15	Rimbunan Hijau (Sarawak) Sdn Bhd	15,536,696	0.92
16	WONG Yiing Ngiik	14,815,059	0.88

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS *(Continued)*

	Name of shareholders	Number of shares held	% of issued capital
17	Suria Kilat Sdn Bhd	12,192,597	0.72
18	Insan Anggun Sdn Bhd	11,727,459	0.70
19	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Thai King)	11,645,037	0.69
20	HSBC Nominees (Asing) Sdn Bhd (Lancelot Assets Limited)	11,090,025	0.66
21	Mayban Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Ik King (39B))	9,406,189	0.56
22	Citigroup Nominees (Tempatan) Sdn Bhd (Exempt AN For Prudential Fund Management Berhad)	9,404,936	0.56
23	Saraju Holding Sdn Bhd	7,086,500	0.42
24	AM Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board (A/C1))	7,043,540	0.42
25	Rimbunan Hijau Southeast Asia Sdn Bhd	6,532,188	0.39
26	Nustinas Sdn Bhd	6,375,064	0.38
27	Asanas Sdn Bhd	6,312,172	0.37
28	Raya Abadi Sdn Bhd	6,124,065	0.36
29	TIONG Chiong Ong	5,510,405	0.33
30	Mayban Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For TIONG Kiong King)	4,446,073	0.26
		1,483,851,547	88.12

DIRECTORS' INTEREST

Name of directors	Number of shares				
	Direct interest	% of issued capital	Indirect interest	% of issued capital	No. of share options granted
(a) The Company					
Tan Sri Datuk Sir TIONG Hiew King	86,509,058	5.14	798,678,690(1)	47.43	600,000
			11,291,915(2)	0.67	–
Mr TIONG Kiu King	2,540,559	0.15	147,000(3)	0.01	600,000
Dato' Sri Dr TIONG Ik King	9,406,189	0.56	252,487,700(4)	14.99	600,000
Mr TIONG Kiew Chiong	4,796,483	0.28	–	–	600,000
Ms SIEW Nyoke Chow	2,000,072	0.12	–	–	–
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	0.01	–	–	–

DIRECTORS' INTEREST *(Continued)*

Name of directors	Number of shares: Direct interest	% of issued capital of OMG	Indirect interest	% of issued capital OMG	No. of share options granted
(b) Subsidiary – One Media Group Limited ("OMG")					
Tan Sri Datuk Sir TIONG Hiew King	–	–	–	–	1,250,000
Mr TIONG Kiu King	–	–	–	–	1,250,000
Dato' Sri Dr TIONG Ik King	–	–	–	–	1,000,000
Mr TIONG Kiew Chiong	3,750,000	0.94	–	–	1,250,000
Mr David YU Hon To	–	–	–	–	150,000
Mr Victor YANG	–	–	–	–	150,000

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of shareholders	Number of shares: Direct interest	% of issued capital	Deemed interest	% of issued capital
Tan Sri Datuk Sir TIONG Hiew King	86,509,058	5.14	798,678,690(1)	47.43
			11,291,915(2)	0.67
Dato' Sri Dr TIONG Ik King	9,406,189	0.56	252,487,700(4)	14.99
Progresif Growth Sdn Bhd	326,663,556	19.40	–	–
Conch Company Limited	252,487,700	14.99	–	–
Zaman Pemimpin Sdn Bhd	154,219,783	9.16	–	–
Pertumbuhan Abadi Asia Sdn Bhd	1,902,432	0.11	401,607,560(5)	23.85
Seaview Global Company Limited	–	–	252,487,700(6)	14.99
Sharifah Rokayah Binti WAN OTHMAN	353	–*	154,219,783(7)	9.16
Salleh Bin DELAMID	–	–	154,219,783(7)	9.16

* negligible

Notes:

(1) Deemed interested by virtue of his interests in Seaview Global Company Limited, Conch Company Limited, Teck Sing Lik Enterprise Sdn Bhd, Tiong Toh Siong Holdings Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd, Ezywood Options Sdn Bhd and Madigreen Sdn Bhd.

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

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

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

(5) Deemed interested by virtue of its interest in Progresif Growth Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd and Madigreen Sdn Bhd.

(6) Deemed interested by virtue of its interest in Conch Company Limited.

(7) Deemed interested by virtue of his/her interest in Zaman Pemimpin Sdn Bhd.

List of Properties, Leasehold Land and Land Use Rights

As at 31 March 2009

LIST OF PROPERTIES

Details of the properties held by the Group are listed as follows:

	Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
	Buildings held on medium-term leases in Hong Kong						
1	Workshops 1-7 on G/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	17,857	Industrial	17 years	795	1992
2	Workshops 1-16, on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	33,232	Storage	17 years	1,256	1992
3	Workshops 1-12 on 15/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	807	1992
4	Workshops 1-12 on 16/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
5	Workshops 1-12 on 17/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
6	Workshops 1-12 on 18/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	16,057	Office	17 years	651	1992
7	Workshops 1-12 on 19/F and Flat Roofs and the External Wall of Roof Floor of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	21,357	Office	17 years	690	1992
8	Private Car & Light Van Parking Space Nos. P1, P2 and Lorry Parking Space Nos. L1-L4 on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	83	1997
9	Private Car & Light Van Parking Space No. P18-20 and Lorry Parking Space Nos. L18, L19 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	60	1992
10	Private Car & Light Van Parking Space No. P11 and Lorry Parking Space Nos. L17 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	N/A	Car parking	17 years	20	1993
						5,664	

As at 31 March 2009

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
Freehold/leasehold land and buildings outside Hong Kong						
1 5368 Parkwood Place, Richmond, Vancouver, British Columbia, Canada	Freehold	43,196	Industrial and office	18 years	1,547	1993
2 Suite 1105, 8248 Lansdowne Road, Richmond, Vancouver, Britsh Columbia, Canada	Freehold	1,116	Residential	14 years	163	1995
3 1355 Huntingwood Drive, Scarborough, Toronto, Canada	Freehold	122,150	Industrial and office	36 years	778	1993
4 1, Jalan SS7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Freehold	269,892	Office buildings and factory building	15.25 years	11,537	1994
5 24, 24A, 24B Weld Quay 10300 Pulau Pinang, Malaysia	Freehold	4,164	Land & building (Double storey shophouse)	33.75 years	438	1975
6 224-226, Jalan Sultan Iskandar, 30000 Ipoh, Perak Darul Ridzuan, Malaysia	Freehold	16,400	Office buildings	33.75 years	405	1975
7 7, 7A-B Jalan Maju, Taman Maju Jaya 80400 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	1,783	Land & building (3 storey shophouse)	31.75 years	254	1977
8 6, Jalan Liku, Off Jalan Bangsar, 59100 Kuala Lumpur, Malaysia	Freehold	8,099	Factory buildings	20.75 years	487	1988
9 9 & 9A Jalan D, Off Jalan Tampoi, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	37,190	Factory buildings	17 years	704	2003
10 40 Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold 60 years expiring on 2064	10,486	Office buildings	41 years	322	1984
11 80, Jalan Riong, 59100 Kuala Lumpur, Malaysia	Freehold	42,716	Office buildings and factory building	33.75 years	3,112	1976
12 No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2063	189,240	Office and printing plant	19 years for office block and 4 years for the printing plant	8,119	2001
13 A4-12-20, Leisure Commerce Square, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2091	818	Office building	9 years	45	1999
14 A4-12-21, Leisure Commerce Square, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2091	818	Office building	9 years	45	1999

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
15 No. 2771, Mukim 1, Jalan Jelawat, Seberang Jaya Industrial Estate, 13700 Perai, Malaysia	Leasehold expiry: 2058	131,136	Office and printing plant	15 years	219	1998
16 Lot 1691, Seksyen 12 Bandar Georgetown Pulau Pinang, Malaysia	Freehold	15,736	Office building	46 years	1,012	2004
17 No. 19, Jalan Angkasa Mas 5, Kawasan Perindustrian Tebrau II, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Leasehold expiry: 2053	79,715	Printing plant and warehouse	11 years	749	1998
18 No. 12, Jalan Maju, Taman Maju Jaya, 80400 Johor Bahru, Johor Darul Takzim, Malaysia	Freehold	2,090	Office building	30 years	77	1998
19 Lot 02123, Section 66, Lorong 3, Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	Leasehold expiry: 2047	217,172	Office and printing plant	12 years	549	1996
20 Lot 1865, Section 19, Seduan Land District, Upper Lanang Road, Sibu, Sarawak, Malaysia	Leasehold expiry: 2063	92,549	Office, printing plant and warehouse	9 years	727	2004
21 Lot 2620 (Part of 804), Block 4, Jalan Cattleya 3, Piasau Industrial Estate, Miri Concession Land District, Sarawak, Malaysia	Leasehold expiry: 2036	80,363	Office, printing plant and warehouse	3 years	1,436	2005
22 No. 38, Jalan Haji Abdul Aziz, 25000 Kuantan, Pahang Darul Makmur, Malaysia	Freehold	1,600	Office building	30 years	40	1998
23 109, Taman Melaka Raya, Jalan Merdeka, 75000 Melaka, Malaysia	Leasehold expiry: 2075	1,600	Office building	30 years	38	1998
24 No. 93, Jalan Leong Sin Nam, 30300 Ipoh, Perak, Malaysia	Leasehold expiry: 2078	6,376	Land and 4-storey shop office	31 years	79	2009
25 No. A1-1307, Level 13, Block A1, Kempas Apartments, Genting View Resort, 69000 Genting Highlands, Pahang Darul Makmur, Malaysia	Freehold	829	Condominium	19 years	24	2009
26 No. 12, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia	Freehold	4,950	Land and 4 1/2-storey shop office	24 years	145	2009
27 No. 3, Lorong 1, Medan Sri Intan, Jalan Sekolah, 36000 Teluk Intan, Perak, Malaysia	Freehold	3,386	Land and 3-storey shop office	17 to 18 years	110	2009

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
28 No. 24, Jalan Ibrahim, 85000 Segamat, Johor Darul Takzim, Malaysia	Freehold	2,940	Land and 2-storey shop Office	56 years	71	2009
29 No. 16, Lorong Gudang Nanas 2, 41400 Klang, Selangor Darul Ehsan, Malaysia	Freehold	7,811	Land and 4 1/2-storey shop office	24 years	202	2009
30 No. 8, Jalan Puteri, 83000 Batu Pahat, Johor Darul Takzim, Malaysia	Freehold	2,880	Land and 2-storey shop office	38 to 39 years	68	2009
31 No. 1025, Jalan Berjaya 3, Seberang Jalan Putra, 05150 Alor Setar, Kedah Darul Aman, Malaysia	Freehold	4,198	Land and 3-storey shop office	17 to 19 years	68	2009
32 No. 240, Jalan Mersing, Taman Kurnia, 86000 Kluang, Johor Darul Takzim, Malaysia	Freehold	4,074	Land and 3-storey shop office	31 years	87	2009
33 No. 45-67, Jalan Salleh, 84000 Muar, Johor Darul Takzim, Malaysia	Freehold	5,379	Land and 3-storey shop office	15 years	109	2009
34 No. 152, Jalan Petaling, 50000 Kuala Lumpur, Malaysia	Freehold	4,760	Land and 2-storey shop office	70 years	329	2009
35 No. 12, Taman Anson, Jalan Raja Omar, 32000 Sitiawan, Perak, Malaysia	Freehold	3,808	Land and 2-storey shop office	32 years	82	2009
36 No. 6, Jalan Mawar 2, Taman Pekan Baru, 08000 Sungai Petani, Kedah Darul Aman, Malaysia	Leasehold expiry: 2091	5,988	Land and 4-storey shop office	17 years	87	2009
					34,264	

As at 31 March 2009

Location	Tenure	Approximate area (Sq ft)	Description	Approximate age of buildings	Net book value US$'000	Year of acquisition
Buildings held on long-term leases outside Hong Kong						
1 Flat A-D, 3-6/F De Yun Court, Winking Garden, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold 70 years expiring on 2062	17,008	Residential	16 years	211	1995
2 31 Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold 60 years expiring on 2066	46,866	Office buildings and factory building	39 years	2,437	2004
					2,648	
Buildings held on medium-term leases outside Hong Kong						
1 Whole block of Yun Xing Bldg, Winking International Commercial Centre, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold 50 years expiring on 2042	119,795	Industrial building	16 years	1,019	1993
2 11 Persiaran Sri Rapat, Off Jalan Lapangan Terbang, 31350 Ipoh, Perak Darul Riduan, Malaysia	Leasehold 60 years expiring on 2039	23,574	Factory building	26 years	92	1994
					1,111	
Property held for sale						
1 No. 22 Jalan BP 10/9, Bandar Bukit Puchong 2, 47100 Puchong, Selangor Darul Ehsan, Malaysia			Double storey house		77	
					77	

LIST OF LEASEHOLD LAND AND LAND USE RIGHTS

Details of the leasehold land and land use rights held by the Group are listed as follows:

Location	Tenure	Net book value US$'000
Medium-term lease leasehold land and land use rights in Hong Kong		
1 Workshops 1-7 on G/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	2,679
2 Workshops 1-16, on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	2,602
3 Workshops 1-12 on 15/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
4 Workshops 1-12 on 16/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
5 Workshops 1-12 on 17/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
6 Workshops 1-12 on 18/F of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
7 Workshops 1-12 on 19/F, Flat Roofs and the External Wall of Roof Floor of Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	924
8 Private Car & Light Van Parking Space Nos. P1, P2 and Lorry Parking Space Nos. L1-L4 on 1/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	541
9 Private Car & Light Van Parking Space No. P18-20 and Lorry Parking Space Nos. L18, L19 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	194
10 Private Car & Light Van Parking Space No. P11 and Lorry Parking Space No. L17 on 3/F, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong	Leasehold expiry: 2047	117
		10,753
Medium-term lease leasehold land and land use rights in Malaysia		
1 11 Persiaran Sri Rapat, Off Jalan Lapangan Terbang, 31350 Ipoh, Perak Darul Riduan, Malaysia	Leasehold expiry: 2039	52
2 57-F Jalan Tun Ali, 75300 Melaka, Malaysia	Leasehold expiry: 2055	367
3 No. 19, Jalan Angkasa Mas 5, Kawasan Perindustrian Tebrau II, 81100 Johor Bahru, Johor Darul Takzim, Malaysia	Leasehold expiry: 2053	358
4 No. 19, Jalan Sungai Keladi 2, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2031	39
5 Lot 02123, Section 66, Lorong 3, Off Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	Leasehold expiry: 2047	934
6 Lot 2620 (Part of Lot 804), Block 4, Jalan Cattleya 3, Piasau Industrial Estate, Miri Concession Land District, Sarawak, Malaysia	Leasehold expiry: 2036	561
7 No. 2771, Mukim 1, Jalan Jelawat, Seberang Jaya Industrial Estate, 13700 Perai, Malaysia	Leasehold expiry: 2058	398
		2,709

As at 31 March 2009

Location	Tenure	Net book value US$'000
Long-term lease leasehold land and land use rights in Malaysia		
1 40, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold expiry: 2064	206
2 31, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	Leasehold expiry: 2066	942
3 No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold expiry: 2063	4,942
4 Lot 1865, Section 19, Seduan Land District, Upper Lanang Road, Sibu, Sarawak, Malaysia	Leasehold expiry: 2063	529
5 93, Jalan Leong Sin Nam 30000 Ipoh, Perak, Malaysia	Leasehold expiry: 2078	134
6 No. 6 Jalan Mawar 2, Taman Pekan Baru, 08000 Sg Petani, Kedah, Malaysia	Leasehold expiry: 2091	22
		6,775
Medium-term lease leasehold land and land use rights in Mainland China		
1 Whole block of Yun Xing Bldg, Winking International Commercial Centre, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold expiry: 2042	1,692
		1,692
Long-term lease leasehold land and land use rights in Mainland China		
1 Flat A-D, 3-6/F De Yun Court, Winking Garden, Tong He Road, Bai Yun District, Guangzhou, PRC	Leasehold expiry: 2062	516
		516

Notice of 19th Annual General Meeting

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting ("AGM") of Media Chinese International Limited will be held at (i) Sin Chew Media Corporation Berhad, Activity Centre, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Wednesday, 26 August 2009 at 10:00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2009 together with the Directors' and Independent Auditor's Reports thereon. — Ordinary Resolution 1

2. To approve the payment of Directors' remuneration for the financial year ended 31 March 2009. — Ordinary Resolution 2

3. To re-elect the following Directors who retire pursuant to the Company's Bye-Laws:

   i. Tan Sri Datuk Sir TIONG Hiew King — Ordinary Resolution 3

   ii. Mr TIONG Kiu King — Ordinary Resolution 4

   iii. Dato' Sri Dr TIONG Ik King — Ordinary Resolution 5

   iv. Mr David YU Hon To — Ordinary Resolution 6

4. To re-appoint Messrs PricewaterhouseCoopers as auditor of the Company for the ensuing year and to authorise the Directors to fix its remuneration. — Ordinary Resolution 7

AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without amendments the following resolutions:

5. ORDINARY RESOLUTION

   PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

   "**THAT** approval is hereby given pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with those related parties as specified in the circular to shareholders dated 28 July 2009, subject further to the following: — Ordinary Resolution 8

   (a) the transactions are necessary for the day to day operations of the Company and its subsidiaries (the "Group") and carried out in the ordinary course of business, on normal commercial terms, on arm's length basis and are on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company; and

   (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year.

THAT the approval given in the paragraph above shall only continue to be in force until:

(a) the conclusion of the next AGM of the Company following the AGM at which the Proposed Shareholders' Mandate was passed, at which time the Proposed Shareholders' Mandate will lapse, unless by an ordinary resolution passed at the general meeting the authority is renewed;

(b) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(c) the date on which the approval set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.

AND **THAT** the Directors and/or any of them of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient and necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

6. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE FOR SHARE BUY-BACK

"**THAT**:

(a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), Bursa Securities or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong, the Stock Exchange and Bursa Securities for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, Listing Requirements of Bursa Securities or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; Ordinary Resolution 9

(b) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

    (i) the conclusion of the next AGM of the Company;

    (ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

7. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT**:

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved; Ordinary Resolution 10

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the Bye-Laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next AGM of the Company;

(ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company to the holders of the shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company.)"

8. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE RELATING TO AN EXTENSION TO THE GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT** subject to the passing of the resolutions Nos. 9 and 10 set out in the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution No. 10 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 9 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as the date of the said resolution." Ordinary Resolution 11

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
LAW Yuk Kuen
Company Secretary

28 July 2009

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one proxy (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company.

   When a member appoints more than one proxy (but not more than two), the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with (i) Malaysia Branch Share Registrar office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or (ii) the Hong Kong head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

3. Explanatory notes on special business:

   (a) The proposed Ordinary Resolution No. 8, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business based on normal commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the Group's day-to-day operations. Please refer to the circular to shareholders dated 28 July 2009 for more information.

   (b) The explanatory notes on Ordinary Resolution No. 9 are set out in the circular to shareholders dated 28 July 2009 accompanying the Annual Report.

   (c) The proposed Ordinary Resolution No. 10, if passed, will authorise the Directors to issue and allot shares up to 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This is to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This authority, unless revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

Statement Accompanying Notice of Annual General Meeting

Tan Sri Datuk Sir TIONG Hiew King, Mr TIONG Kiu King, Dato' Sri Dr TIONG Ik King and Mr David YU Hon To are the Directors standing for re-election at the forthcoming Nineteenth Annual General Meeting of the Company. Details of their respective further details are shown in the Annual Report as follows:

	Further details	**Page no.**
(a)	Age, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director	4-12
(b)	The working experience and occupation	4-12
(c)	Any other directorships of public companies	4-12
(d)	The details of any interest in the Company and its subsidiaries	4-12
(e)	The family relationship with any director and/or major shareholder of the Company	4-12
(f)	Any conflict of interest that they have with the Company	12
(g)	The list of convictions for offences within the past 10 years other than traffic offences, if any	12

Details of attendance of directors at board meetings are set out on page 38 of the Annual Report.

MEDIA CHINESE INTERNATIONAL LIMITED

世界華文媒體有限公司

(Incorporated in Bermuda with limited liability)
(Malaysia Company No. 995098-A)
(Hong Kong Stock Code: 685)
(Malaysia Stock Code: 5090)

Proxy Form for the Annual General Meeting to be held on Wednesday, 26 August 2009 at 10:00 a.m.

I/We *(note 1)* ______________________________
of ______________________________
being the registered holder(s) of *(note 2)* ______________ shares of HK$0.10 each in the capital of MEDIA CHINESE INTERNATIONAL LIMITED (the "Company") hereby appoint *(note 3)* ______________
of ______________________________
or failing him ______________________________
of ______________________________
or failing him, the Chairman of the meeting to act as my/our proxy to attend and vote for me/us at the annual general meeting of the Company to be held at (i) Sin Chew Media Corporation Berhad, Activity Centre, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Wednesday, 26 August 2009 at 10:00 a.m. and at any adjournment thereof as indicated below or, if no such indication is given, as my/our proxy thinks fit.

Resolution	For *(note 4)*	Against *(note 4)*
1. To receive the Audited Financial Statements for the financial year ended 31 March 2009 together with the Directors' and Independent Auditor's Reports thereon		
2. To approve the payment of Directors' remuneration for the financial year ended 31 March 2009		
To re-elect the following Directors who retire pursuant to the Company's Bye-Laws:		
3. Tan Sri Datuk Sir TIONG Hiew King		
4. Mr TIONG Kiu King		
5. Dato' Sri Dr TIONG Ik King		
6. Mr David YU Hou To		
7. To re-appoint Messrs PricewaterhouseCoopers as auditor of the Company for the ensuing year and to authorise the Directors to fix its remuneration		
8. To approve the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature		
9. To give a general mandate to the Directors for share buy-back		
10. To give a general mandate to the Directors to issue new shares		
11. To extend the general mandate to be given to the Directors to issue new shares		

Dated: ______________ 2009 Shareholder's Signature *(note 5)*: ______________

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares of HK$0.10 each registered in your name(s). If no number is inserted, this proxy form will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
3. Please insert the name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS YOUR PROXY**.
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, PLEASE PLACE A "✔" IN THE RELEVANT BOX MARKED "FOR" BESIDE THE APPROPRIATE RESOLUTION, IF YOU WISH TO VOTE AGAINST A RESOLUTION, PLEASE PLACE A "✔" IN THE RELEVANT BOX MARKED "AGAINST" BESIDE THE APPROPRIATE RESOLUTION. FAILURE TO COMPLETE THE BOXES WILL ENTITLE YOUR PROXY TO CAST HIS VOTE AT HIS DISCRETION.** Your proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than those referred to in the notice convening the meeting.
5. This proxy form must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, this proxy form must be under its common seal or under the hand of an officer or attorney duly authorised. Any alterations made in this form should be initialled by the person who signs it.
6. When a member appoints more than one proxy (but not more than two), the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy need not be a member of the Company, but must attend the meeting in person to represent you.
7. To be valid, this proxy form together with any power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be lodged with i) Malaysia Branch Share Registrar office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or ii) the Hong Kong head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Stamp

MEDIA CHINESE INTERNATIONAL LIMITED

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Mid Valley City, Lingkaran Syed Putra,

59200 Kuala Lumpur, Malaysia

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