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XINHUA NEWS MEDIA HOLDINGS LIMITED
新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

The board of directors (the "Board") of Xinhua News Media Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively the "Group") for year ended 31 March 2013, together with the comparative figures for the year ended 31 March 2012, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2013

	Notes	**2013** *HK$'000*	2012 *HK$'000*
CONTINUING OPERATIONS			
REVENUE	*4*	**205,503**	193,471
Other income and gains	*4*	**1,981**	1,154
Staff costs		**(163,851)**	(164,478)
Depreciation and amortisation	*5*	**(20,548)**	(16,305)
Fair value change on derivative financial asset	*12*	**2,006**	–
Impairment of intangible assets		**(28,327)**	–
Other operating expenses		**(50,553)**	(48,230)
Finance costs	*6*	**(31)**	(79)
Share of profit of an associate		**257**	133
LOSS BEFORE TAX FROM CONTINUING OPERATIONS	*5*	**(53,563)**	(34,334)
Income tax expenses	*7*	**(219)**	–
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		**(53,782)**	(34,334)

	Notes	2013 HK$'000	2012 HK$'000
DISCONTINUED OPERATION			
Loss for the year from the discontinued operation	8	**(2,313)**	(79,535)
LOSS FOR THE YEAR		**(56,095)**	(113,869)
OTHER COMPREHENSIVE INCOME			
Exchange differences on translation of foreign operations and other comprehensive income for the year, net of tax		**671**	3,179
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(55,424)**	(110,690)
Gain/(loss) attributable to:			
Owners of the parent		**(56,569)**	(90,040)
Non-controlling interests		**474**	(23,829)
		(56,095)	(113,869)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**(56,247)**	(88,016)
Non-controlling interests		**823**	(22,674)
		(55,424)	(110,690)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted			
– For loss for the year		**(4.57) HK cents**	(7.96) HK cents
– For loss from continuing operations		**(4.44) HK cents**	(3.04) HK cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013

	Notes	**2013**	2012
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**7,878**	10,009
Goodwill	*10*	**22,960**	–
Intangible assets	*11*	**108,650**	152,837
Investment in an associate		**535**	278
Total non-current assets		**140,023**	163,124
CURRENT ASSETS			
Inventories		**151**	93
Due from an associate		**1,265**	1,375
Derivative financial asset	*12*	**2,006**	–
Trade receivables	*13*	**39,258**	29,838
Prepayments, deposits and other receivables		**37,898**	10,284
Pledged time deposits	*14*	**10,022**	4,001
Cash and cash equivalents		**62,683**	75,563
		153,283	121,154
Assets classified as held for sale	*8*	**24,463**	35,052
Total current assets		**177,746**	156,206
CURRENT LIABILITIES			
Trade payables	*15*	**4,517**	2,240
Other payables and accrued liabilities		**28,260**	23,455
Finance lease payable		**52**	48
Tax payable		**219**	–
		33,048	25,743
Liabilities directly associated with assets classified as held for sale	*8*	**15,763**	13,969
Total current liabilities		**48,811**	39,712

	Notes	2013	2012
		HK$'000	*HK$'000*
NET CURRENT ASSETS		**128,935**	116,494
TOTAL ASSETS LESS CURRENT LIABILITIES		**268,958**	279,618
NON-CURRENT LIABILITIES			
Finance lease payable		**57**	109
Provision for long service payments		**1,510**	1,531
Deferred income		**6,423**	6,841
Total non-current liabilities		**7,990**	8,481
Net assets		**260,968**	271,137
EQUITY			
Equity attributable to owners of the parent			
Issued capital	*17*	**13,023**	11,669
Reserves		**233,930**	263,100
		246,953	274,769
Non-controlling interests		**14,015**	(3,632)
Total equity		**260,968**	271,137

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 March 2013. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income within a subsidiary is attributed to the owners of the Company and to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

2. CHANGES IN ACCOUNTING STANDARD AND DISCLOSURES

(a) Application of new and revised HKFRSs for the year ended 31 March 2013

In the current year, the Group has applied for the first time, the following new and revised standards, amendments and interpretations (the "new HKFRSs") issued by the HKICPA which are effective for the Group's financial period beginning 1 April 2012.

HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HKAS 12 (Amendments)	Deferred Tax – Recovery of Underlying Assets

The application of the above new HKFRSs had no material effect on the results and financial positions of the Group for current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

(b) New and revised HKFRS standards and amendments issued but not effective

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle[2]
HKFRS 1 (Amendments)	Government Loans[2]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[4]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[2]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[3]
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[1]
HKAS 19 (as revised in 2011)	Employee Benefits[2]
HKAS 27 (as revised in 2011)	Separate Financial Statements[2]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities[3]
HKAS 36 (Amendments)	Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets[3]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]
HK(IFRIC) – Int 21	Levies[3]

1 Effective for annual periods beginning on or after 1 July 2012

2 Effective for annual periods beginning on or after 1 January 2013

3 Effective for annual periods beginning on or after 1 January 2014

4 Effective for annual periods beginning on or after 1 January 2015

HKFRS 9 ***Financial Instruments***

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements. HK (SIC) – Int 12 *Consolidation – Special Purpose Entities* will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures*. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC) – Int 13 *Jointly Controlled Entities – Non-monetary Contributions by Venturers* will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 *Financial Instruments: Disclosures* will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKAS 19 Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group has assessed that the adoption of HKFRS 10 does not have any significant impact on the Group as all subsidiaries within the Group satisfy the requirements of control under HKFRS 10 and there are no new subsidiaries identified under the new guidance.

The Group is in the process of assessing the potential impact of the above new HKFRSs upon initial application but is not yet in a position to state whether the above new HKFRSs will have a significant impact on the Group's results of operations and financial position. The Group intends to adopt the new/revised standards and amendments to existing standards when they become effective.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) the cleaning and related services segment engages in the provision of cleaning and related services for office buildings, public areas and residential areas;

(b) the medical waste treatment segment engages in the provision of non-incineration medical waste handling services for hospitals;

(c) the television screen broadcast business segment engages in the provision of publicly broadcasting information and advertisements on television screens services; and

(d) the management consulting services segment engages in the provision of investment management and consulting service, management solutions for hospitals and sales of medical equipment. This is a newly reportable segment after the Group has completed the acquisition of 51% equity interest of Shanghai GoalReal Investments Advisory Company Limited (formerly known as: Shanghai GoalReal Hospital Investment Management Limited) ("GoalReal") on 24 September 2012.

The Group's waste treatment business was terminated on 9 January 2012 as detailed in Note 8.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations are measured consistently with the Group's loss before tax from continuing operations except that interest income, finance costs, fair value on derivative financial asset, impairment losses from the Group's intangible assets and property, plant and equipment, share of profit of an associate and unallocated expenses such as directors' remunerations are excluded from such measurement.

Segment assets exclude goodwill, investment in an associate and derivative financial asset as these assets are managed on a group basis.

Segment liabilities exclude loans from a director and a finance lease payable, as these liabilities are managed on a group basis.

There are no intersegment sales and transfers between the segments.

The following is an analysis of the Group's revenue and results by reportable segments:

	Continuing operations										Discontinued operation			
	Cleaning and related services		Television screen broadcast business		Medical waste treatment		Management consulting services		Sub-total		Waste treatment		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue:														
Service income from external customers	**193,109**	187,356	**1,003**	64	**7,055**	6,051	**4,336**	–	**205,503**	193,471	**–**	123	**205,503**	193,594
Other income and gains	**803**	280	**33**	103	**515**	623	**–**	–	**1,351**	1,006	**197**	10	**1,548**	1,016
Total	**193,912**	187,636	**1,036**	167	**7,570**	6,674	**4,336**	–	**206,854**	194,477	**197**	133	**207,051**	194,610
Segment results	**4,729**	(1,498)	**(25,113)**	(21,742)	**1,844**	30	**828**	–	**(17,712)**	(23,210)	**(2,327)**	(13,643)	**(20,039)**	(36,853)
Reconciliation:														
Interest income													**644**	174
Share of profit of an associate													**257**	133
Unallocated expenses													**(10,386)**	(11,326)
Fair value change on derivative financial asset													**2,006**	–
Impairment losses recognised in profit or loss in respect of:														
Intangible assets*													**(28,327)**	–
Property, plant and equipment**													**–**	(65,918)
Finance costs													**(31)**	(79)
Loss before tax													**(55,876)**	(113,869)
Income tax expenses													**(219)**	–
Loss for the year													**(56,095)**	(113,869)

* Impairment of intangible assets was related to the television screen broadcast business segment.

** Impairment of property, plant and equipment was related to the waste treatment segment.

Other segment information:

	Continuing operations										Discontinued operation			
	Cleaning and related services		Television screen broadcast business		Medical waste treatment		Management consulting services		Sub-total		Waste treatment		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment assets	**55,855**	44,675	**138,119**	220,107	**19,102**	17,843	**53,464**	–	**266,540**	282,625	**24,463**	35,052	**291,003**	317,677
Reconciliation:														
Goodwill													**22,960**	–
Investment in an associate													**535**	278
Amount due from an associate													**1,265**	1,375
Derivative financial asset													**2,006**	–
Assets related to a discontinued operation													**(24,463)**	(35,052)
Total assets													**293,306**	284,278
Segment liabilities	**23,084**	22,679	**3,422**	3,707	**7,049**	7,681	**7,374**	–	**40,929**	34,067	**5,113**	4,618	**46,042**	38,685
Reconciliation:														
Finance lease payable													**109**	157
Loans from a director													**10,650**	9,351
Liabilities related to a discontinued operation													**(15,763)**	(13,969)
Total liabilities													**41,038**	34,224
Other segment information:														
Capital expenditure	**578**	668	**497**	159,002	**155**	1,182	**–**	–	**1,230**	160,852	**81**	5,225	**1,311**	166,077
Depreciation and amortisation	**585**	595	**18,325**	13,379	**1,406**	2,331	**232**	–	**20,548**	16,305	**–**	9,025	**20,548**	25,330
Impairment losses recognised in profit or loss in respect of:														
Intangible assets	**–**	–	**28,327**	–	**–**	–	**–**	–	**28,327**	–	**–**	–	**28,327**	–
Property, plant and equipment	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	65,918	**–**	65,918
Share of profit of an associate	**257**	133	**–**	–	**–**	–	**–**	–	**257**	133	**–**	–	**257**	133

Geographical information

(a) Revenue from external customers

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**194,113**	187,420
Mainland China	**11,390**	6,051
	205,503	193,471

(b) Non-current assets

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**101,677**	147,695
Mainland China	**38,346**	15,429
	140,023	163,124

The revenue and non-current assets information from continuing operations above are based on the location of the customers and that of the assets, respectively.

Information about a major customer

Revenue from continuing operations of approximately HK$59,365,000 (2012: HK$63,082,000) was derived from sales by the cleaning and related services segment to a single customer.

4. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of services rendered and goods sold. An analysis of the Group's revenue, other income and gains from continuing operations is as follows:

	2013	2012
	HK$'000	*HK$'000*
Revenue		
Cleaning and related service fee income	**193,109**	187,356
Television screen broadcast business income	**1,003**	64
Medical waste treatment income	**7,055**	6,051
Management consulting services income	**4,336**	–
	205,503	193,471
Other income and gains		
Bank interest income	**630**	148
Amortisation of deferred income*	**462**	464
Management fee received	**68**	160
Sundry income	**821**	382
	1,981	1,154

* Various government grants have been received for purchase of property, plant and equipment for medical waste treatment. There are no unfilled conditions or contingencies relating to these subsidies.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2013		2012	
	Continuing operations	**Discontinued operation**	Continuing operations	Discontinued operation
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Cost of services rendered*	**178,127**	**–**	170,610	–
Cost of inventories sold*	**–**	**–**	–	481
Auditors' remuneration	**1,010**	**–**	1,320	110
Minimum lease payments under operating leases in respect of land and buildings	**2,670**	**–**	4,477	–
Depreciation	**4,447**	**–**	1,800	9,025
Amortisation of intangible assets *(Note 11)*	**16,101**	**–**	14,505	–
Employee benefit expenses (including directors' remuneration):				
Wages, salaries and other benefits	**155,773**	**671**	155,429	1,297
Equity-settled share option expenses	**–**	**–**	443	–
Retirement benefit scheme contributions	**6,802**	**3**	6,580	209
Forfeited contributions	**–**	**–**	(26)	–
Provision for long service payments, net	**401**	**–**	1,413	–
Provision for untaken paid leave	**875**	**–**	639	–
Total employee benefit expenses	**163,851**	**674**	164,478	1,506
Impairment of intangible assets *(Note 11)*	**28,327**	**–**	–	–
Impairment of property, plant and equipment	**–**	**–**	–	65,918
Loss on property, plant and equipment written off	**–**	**–**	1	–
Loss on disposal of items of property, plant and equipment	**113**	**–**	10	–
Impairment of trade receivables *(Note 13)*	**–**	**–**	–	32

* The cost of services rendered included an employee benefit expense of approximately HK$149,058,000 (2012: HK$147,608,000) incurred in the provision of services which has been included in the employee benefit expenses above.

The cost of inventories sold for the year ended 31 March 2012 included an amount of depreciation of approximately HK$161,000.

6. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on a bank overdraft	**19**	62
Interest on a finance lease	**12**	17
	31	79

* All finance costs are from continuing operations only.

7. INCOME TAX EXPENSES

	2013	2012
	HK$'000	*HK$'000*
Tax charge from continuing operations for the year	**219**	–

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2012: Nil).

The corporate income tax has been provided for subsidiaries in Mainland China based on assessable profits arising in Mainland China during the year (2012: Nil). Subsidiaries located in the People's Republic of China (the "PRC") are subject to the PRC corporate income tax at a rate of 25% on its assessable profits.

8. DISCONTINUED OPERATION

On 11 January 2012, the Company announced that the Group had entered into agreement with the Shuyang Municipal Government to terminate the investment agreement relating to the waste treatment business, namely, the operation of Shuyang ITAD Environmental Technology Limited ("Shuyang ITAD") municipal waste treatment plant located in Shuyang County, Jiangsu Province, the PRC on 9 January 2012. As at 31 March 2013 and 2012, the waste treatment business was classified as a discontinued operation. As at 31 March 2013, the Group is still in negotiation with an independent state-owned enterprise in respect of the sale of Shuyang ITAD.

The results of the waste treatment business for the year are presented below:

	2013	2012
	HK$'000	*HK$'000*
Revenue	**–**	123
Cost of sales of fertilisers	**–**	(481)
Other income and gains	**211**	36
Impairment of property, plant and equipment	**–**	(65,918)
Expenses	**(2,524)**	(13,295)
Loss before tax from the discontinued operation	**(2,313)**	(79,535)
Income tax expenses	**–**	–
Loss for the year from the discontinued operation	**(2,313)**	(79,535)

The major classes of assets and liabilities of the waste treatment business classified as held for sale as at 31 March 2013 and 2012 are as follows:

	2013	2012
	HK$'000	*HK$'000*
Assets		
Property, plant and equipment	**22,892**	23,251
Trade receivables	**–**	61
Prepayments, deposits and other receivables	**1,217**	1,232
Pledged time deposits	**–**	10,049
Cash and cash equivalents	**354**	459
Assets classified as held for sale	**24,463**	35,052
Liabilities		
Trade payables	**(52)**	(52)
Other payables and accruals	**(4,778)**	(4,283)
Tax payable	**(283)**	(283)
Loans from a director	**(10,650)**	(9,351)
Liabilities directly associated with the assets classified as held for sale	**(15,763)**	(13,969)
Net assets classified as held for sale	**8,700**	21,083

The net cash flows incurred by waste treatment business are as follows:

	2013	2012
	HK$'000	*HK$'000*
Operating activities	**(11,387)**	(3,968)
Investing activities	**9,968**	(838)
Financing activities	**1,299**	4,552
	(120)	(254)
Effect of foreign exchange rate changes, net	**15**	–
Net cash outflow	**(105)**	(254)
Loss per share:		
Basic and diluted, from the discontinued operation	**(0.13) HK cents**	(4.92) HK cents

The calculations of the basic and diluted loss per share from the discontinued operation are based on:

	2013	2012
	HK$'000	*HK$'000*
Loss attributable to ordinary equity holders of the parent from the discontinued operation	**(1,621)**	(55,677)

	Number of shares	
	2013	2012
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation *(Note 9)*	**1,237,003,541**	1,131,086,264

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2013 and 2012 in respect of a dilution as the impact of the warrants and share options outstanding had an anti-dilutive effect on the basic loss per share from the discontinued operation amounts presented.

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic and diluted loss per share

The calculation of the basic loss per share is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,237,003,541 (2012: 1,131,086,264) in issue during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2013 and 2012 in respect of a dilution as the impact of the warrants and share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of basic and diluted loss per share is based on:

	2013	2012
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation:		
From continuing operations	**(54,948)**	(34,363)
From a discontinued operation	**(1,621)**	(55,677)

	Number of shares	
	2013	2012
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	**1,237,003,541**	1,131,086,264

10. GOODWILL

	HK$'000
Cost	
At 1 April 2011, 31 March 2012 and 1 April 2012	39,185
Acquisition of subsidiaries during the year	22,960
At 31 March 2013	62,145
Accumulated impairment	
At 1 April 2011, 31 March 2012, 1 April 2012 and 31 March 2013	39,185
Carrying amount	
At 31 March 2013	**22,960**
At 31 March 2012	–

Goodwill is allocated to the Group's cash-generating units identified according to business segment as follows:

	2013	2012
	HK$'000	*HK$'000*
Medical waste treatment	**–**	–
Management consulting services	**22,960**	–

During the year ended 31 March 2013, goodwill was resulted from the acquisition of 100% equity interest of Pan Asia Century Holdings Limited and its subsidiaries ("Pan Asia Group"). The consideration for this acquisition was the issue of 135,387,000 new ordinary shares of HK$0.01 each of the Company at a price of HK$0.2142 each and a cash consideration of approximately HK$12,000,000. The total consideration combined was HK$41,000,000. The quoted closing price of the consideration shares as at acquisition date was HK$0.21.

11. INTANGIBLE ASSETS

	Medical waste treatment	**Free right**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Cost			
At 1 April 2011	32,080	–	32,080
Additions	1,178	151,286	152,464
Exchange realignment	737	–	737
At 31 March 2012 and 1 April 2012	33,995	151,286	185,281
Additions	150	–	150
Exchange realignment	231	–	231
At 31 March 2013	34,376	151,286	185,662
Accumulated amortisation and impairment			
At 1 April 2011	17,863	–	17,863
Amortisation during the year	1,898	12,607	14,505
Exchange realignment	76	–	76
At 31 March 2012 and 1 April 2012	19,837	12,607	32,444
Amortisation during the year	972	15,129	16,101
Impairment for the year	–	28,327	28,327
Exchange realignment	140	–	140
At 31 March 2013	20,949	56,063	77,012
Carrying amount			
At 31 March 2013	**13,427**	**95,223**	**108,650**
At 31 March 2012	14,158	138,679	152,837

The directors have reviewed the carrying amount at the end of the reporting period and confirm that approximately HK$28,327,000 (2012: Nil) of intangible assets in relation to free right was required to be impaired because the recoverable amount of intangible assets is lower than its carrying amount. The main factor contributing to the impairment was the development of television screen broadcast business did not turned out as expected.

12. DERIVATIVE FINANCIAL ASSET

Derivative financial asset represents the fair value of the consideration adjustment arose from the acquisition of Pan Asia Group as at 31 March 2013. The Group will receive an amount as consideration if the actual net profit of the Pan Asia Group for the 12-month period commencing from the completion date falls below HK$10,000,000. The fair value of the derivative financial asset was Nil and HK$2,006,000 as at 24 September 2012 and 31 March 2013 respectively.

13. TRADE RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**39,258**	29,838

The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of 30 days, extending up to 90 days for customers with a long-term relationship. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**16,234**	15,507
31 to 60 days	**9,190**	9,038
61 to 90 days	**3,491**	4,393
91 to 120 days	**10,018**	359
Over 120 days	**325**	541
	39,258	29,838

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

	2013	2012
	HK$'000	*HK$'000*
At beginning of the year	**–**	435
Impairment losses recognised *(Note 5)*	**–**	32
Included in a discontinued operation	**–**	(467)
At end of the year	**–**	–

The above provision for impairment of trade receivables is individually impaired. The individually impaired trade receivables relate to customers that were in default or delinquency payments.

14. PLEDGED TIME DEPOSITS

At the end of the reporting period, the Group's banking facilities were secured by the pledge of certain of the Group's time deposits amounting to approximately HK$10,022,000 (2012: HK$4,001,000).

15. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**1,490**	2,155
31 to 60 days	**842**	–
61 to 90 days	**45**	85
Over 90 days	**2,140**	–
	4,517	2,240

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

16. COMMITMENTS

	2013	2012
	HK$'000	*HK$'000*
Contracted, but not provided for:		
Property, plant and equipment	**102**	2,997

17. SHARE CAPITAL

On 24 September 2012, 135,387,000 ordinary shares of HK$0.01 each of the Company were issued at a price of HK$0.2142 per share as part of the consideration for the Group's acquisition of Pan Asia Group.

As at 31 March 2013, the total number of issued ordinary shares of the Company was 1,302,286,040 shares of HK$0.01 each (2012: 1,166,899,040 shares).

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Results

The Group's turnover from continuing operations for the year ended 31 March 2013 amounted to approximately HK$205,503,000 (2012: HK$193,471,000), represented 6.2% increase as compared to the previous year. The loss of the Group from continuing operations was approximately HK$53,782,000 (2012: HK$34,334,000). Cleaning and related services business made a profit of approximately HK$4,729,000, the medical waste treatment business made a profit of approximately HK$1,844,000, the management consulting services made a profit of approximately HK$828,000 and the television screen broadcast business made a loss of approximately HK$25,113,000 of which approximately HK$15,129,000 was from the amortisation for the intangible asset related to the granting of the Free Right by Xinhua News Agency Asia-Pacific Regional Bureau Limited ("APRB") for the television screen broadcast business under the cooperation agreement entered into by APRB and the Company on 22 November 2010 (the "Cooperation Agreement"). As the performance of the television screen broadcast business was worse than expected, an impairment loss of approximately HK$28,327,000 was recognised.

The discontinuation of the operation of the municipal waste treatment plant was located in Shuyang County, Jiangsu Province, PRC. Total loss from the discontinued operation for the year ended 31 March 2013 was approximately HK$2,313,000.

Financial Review

As at 31 March 2013, the Group's cash and cash equivalents and pledged time deposits totalled approximately HK$72,705,000 (2012: HK$79,564,000) and its current ratio (excluded the discontinued operation) was 4.64 (2012: 4.71). The Group's net assets were approximately HK$260,968,000 (2012: HK$271,137,000).

As at 31 March 2013, the Group did not have any bank borrowings but the Group had a finance lease payable and loans from a director of approximately HK$109,000 and approximately HK$10,650,000 respectively (2012: HK$157,000 and HK$9,351,000) and therefore, its gearing ratio, representing ratio of a finance lease payable and loans from a director to shareholders' equity was 4.1% (2012: 3.5%). The Group's shareholders' equity amounted to approximately HK$260,968,000 as at 31 March 2013 (2012: HK$271,137,000).

The Group takes a prudent approach to cash management and risk control. Its revenues, expenses and capital expenditures in relation to cleaning related business and television screen broadcast business are transacted in Hong Kong ("HK") dollars, whereas those of the medical waste treatment business, waste treatment business and management consulting services business are transacted in Renminbi ("RMB"). The Group's cash and bank balances are primarily denominated in HK dollars, RMB and United States dollars.

Foreign currency risks in relation to exchange rate fluctuations of RMB will be mitigated as future revenue from the medical waste treatment business and management consulting services, which are in RMB, can offset future liabilities and expenses.

As at 31 March 2013, the Group's banking facilities were secured by the pledge of certain of the Group's time deposits amounting to approximately HK$10,022,000 (2012: HK$4,001,000).

Business Review

In spite of the fierce competitions in the cleaning and related services field, demand over supply in the labour market and increasing labour costs, the Group was able to maintain steady growth in the past year under review.

In addition to renewing the two warewash and general cleaning contracts with one of the biggest flight kitchens, the Group was able to obtain a third contract from this business partner for providing commissary services (sorting and packing of reading articles, magazines and head phones etc.) in aircrafts.

In the fourth quarter of 2012, the Group entered into a 2-year contract with a prominent property developer to provide initial and day-to-day comprehensive cleaning to their brand new office building next to the West Rail Tsuen Wan Station.

Various major contracts including those in connection with several Grade-A office/commercial buildings and complexes in Central, Admiralty and Quarry Bay were renewed from one year to three years with reasonable adjustments in the contract prices to make provisions for labour cost increases as a result of the ripple effect of the statutory minimum wage rate revision.

The Group has commenced its external wall cleaning services since the early nineties by using "Sparkling", an effective external wall cleaning agent formulated and uniquely brand named by the Group. Following the satisfactory completion of a project of a multi-storied residential estate in Tin Hau, the Group was able to obtain and complete another external wall cleaning contract of a top-notch residential development up on the Peak. In this project, various unprecedented difficulties, such as high wind blowing in gusts, vast landscaped areas to be taken care of, had to be resolved and overcome. The project was completed to the satisfaction of the property owners well on schedule.

The series of stone maintenance and restoration products, some of which were specially formulated and manufactured by our European business partner for Asian markets, continued to earn recognition. Sales of the products were on the upward trend.

For the medical waste treatment business, the two medical treatment plants of the Group in Siping City and Suihua City in the Mainland continued to be operating smoothly.

As mentioned previously, the Group was engaged in negotiation with an independent state-owned enterprise regarding the Group's investment in a waste treatment plant in Shuyang County, Jiangsu Province. The negotiation is still continuing.

For the television screen broadcast business, specially produced news programs including finance, sports, entertainment and lifestyle run smoothly on through trains operated by the MTR Corporation Limited ("MTR") running from Guangzhou East and Hong Kong and at the MTR Hunghom Departure Hall. In addition, the Group has officially launched the television programs broadcasting on selected television screens at departure gates in Hong Kong International Airport ("HK Airport") since 12 December 2012.

During the year 2012, the Group has also reached several agency agreements with advertising agents in both Mainland China and Hong Kong. It is expected that these arrangements would help to enlarge the client base of the television screen broadcast business and hence, open up an additional source of advertising revenue. In addition, the Group has endeavoured to approach media agents to discuss cooperation in sharing television screen resources to increase broadcasting channels and reducing capital investment costs.

According to the Cooperation Agreement, APRB has undertaken that the audited operating revenue derived from the television screen broadcast business for the year ended 31 December 2011 and the year ending 31 December 2012 will be no less than HK$30,000,000 and HK$100,000,000, respectively and to pay compensation to the Company in the event any part of the undertaking cannot be fulfilled. Negotiations with APRB on remedial actions is on-going. Such negotiation is currently focused on how the compensation shall be calculated on a fair and reasonable basis given that the Cooperation Agreement contains no provision for determining the relevant amount. At this point the Company and APRB are discussing and evaluating the possibility and appropriateness of various options, including, without limitation, engaging a professional valuer for the assessment of the relevant economic damages. Further professional assistance has been sought in this relation including legal advice on the appropriateness of various remedial considerations. Appropriate announcement will be made when an agreement has been reached.

Following the acquisition of the Pan Asia Group in the second half of 2012, the Group has a new business of investment management and consulting services, management solutions for hospitals and sales of medical equipment. For the year ended 31 March 2013, the Group has recorded a gain of approximately HK$652,000 from this business segment.

Prospects

Cleaning and Related Services

The road of the cleaning service sector remains bumpy. Labour shortage is expected to persist in the coming year.

Given the Group's well established and developed employer-and-employee relations with a turnover rate below industry norm and our good track records in reducing accidents and work injuries, we have been able to overcome the hurdles in the past year and are optimistic that the Group would be able to maintain a stable and trust-worthy labour force to fulfill our contractual obligations.

Over the past years, most of the food waste has been mixed with other rubbish for disposal at landfills. Of late, the government has launched a "Food Waste Recycling Scheme in Housing Estates" and is giving funding support to the participating estates. The food waste-turned-compost generated is used for landscaping, greening and planting activities. In response to the scheme, more and more estates are taking part.

The Group has matured experience and technology in this field and has been sharing our knowledge with our housing estate customers, other voluntary associations and schools. We shall continue to take an active role and plan to extend our sharing and services in this regard to our customers in shopping malls, food courts, commercial complexes in the coming years.

Television screen broadcast business

In 2012, the Group formulated defined developmental direction and objectives for the television screen broadcast business. A framework for sales network has been established and targeted sales partners identified. The Group has also begun working with several advertising agents based in Mainland China and Hong Kong, enjoying a better connection to customers and a better focus on business with Chinese enterprises.

The Group is contemplating to expand the news programs broadcast coverage to PRC train station departure halls as well as on trains. The Group has identified certain train stations and train service providers and has started negotiations. There are plans to continue seeking out more suitable train stations and train service providers.

After the successful launch of the television screen broadcasting at HK Airport, the Group begins to focus on securing sponsorship on television programs production. The Group is confident that this new development will enhance the Group's profitability and improve our branding image to international customers and consumers.

The Group is in an advanced stage of negotiation with a property owner in Central District for media broadcasting on an outdoor LED video wall. It is anticipated to launch the broadcasting service in the second half of 2013.

In 2013, the Group has considered other opportunities to expand the broadcasting business. In addition to the television screen broadcast business, the Group is diversifying into other media broadcasting medium, such as the internet and advertising billboards, which are expected to broaden the income source of the Group.

The Group is negotiating with certain media companies in Taiwan regarding potential cooperation. The cooperation is expected to begin with the exchange and sharing of resources, followed by exploring the possibility of setting up partnership or other form of enhanced relationship.

The Group is also discussing with companies in the PRC regarding the possible formation of strategic cooperation relationship in the online media advertisement business.

Management consulting services

GoalReal has been deploying resources and efforts to strengthen its performance. The Group intends to further explore different business opportunities in the PRC medical equipment and hospital management service markets, such as exploring the possibility of obtaining the exclusive right to distribute certain medical equipment in the PRC and participating in the management service and operation of PRC hospitals.

Dividend

The Board does not recommend the payment of any dividend to shareholders for the year ended 31 March 2013 (2012: Nil).

Warrants

(i) Warrants placed on 18 March 2011

On 18 March 2011, an aggregate of 30,600,000 unlisted warrants had been successfully placed by the Company to not less than six placees who were third parties independent of and not connected to the Company and its connected persons, at the issue price of HK$0.01 per warrant and the subscription price of HK$0.70 per warrant. The subscription period for the warrants was from the date of issue of the warrants to the expiry, which was 18 months from the issue of the warrants. Upon the exercise in full of the subscription rights attached to the warrants, a maximum of 30,600,000 shares of the Company would have been issued and allotted.

During the year, no warrant had been exercised and the remaining 30,600,000 unlisted warrants at the issue price of HK$0.01 each expired. The related warrant reserve of HK$306,000 was transferred to accumulated losses.

(ii) New shares and warrants placed on 3 May 2011

On 3 May 2011, an aggregate of 45,900,000 new shares had been successfully placed by the Company to not less than six placees who were third parties independent of and not connected to the Company and its connected persons, at the placing price of HK$0.70 per share.

On 3 May 2011, an aggregate of 45,900,000 unlisted warrants had been successfully placed by the Company to not less than six placees who were third parties independent of and not connected to the Company and its connected persons, at the issue price of HK$0.01 per warrant and the subscription price of HK$0.70 per warrant. The subscription period for the warrants was from the date of issue of the warrants to the expiry, which was 18 months from the issue of the warrants. Upon the exercise in full of the subscription rights attached to the warrants, a maximum of 45,900,000 shares of the Company would have been issued and allotted.

During the year, no warrant had been exercised and the remaining 45,900,000 unlisted warrants at the issue price of HK$0.01 each expired. The related warrant reserve of HK$459,000 was transferred to accumulated losses.

Material Acquisitions

On 29 August 2012, a wholly-owned subsidiary of the Company, Ally Thrive Investments Limited entered into an agreement with Pan Asia Century Consulting Limited, an independent third party to acquire all the issued shares of and a shareholder's loan of approximately HK$22,140,000 in Pan Asia Century Holdings Limited. Pan Asia Century Holdings was incorporated on 23 April 2012 in the British Virgin Islands with limited liability, whose principal business is investment holding. Pan Asia Century Holdings owns the entire issued share capital of Pan Asia Century Investments Limited which holds 51% of the entire equity interest in GoalReal.

The total consideration HK$41,000,000 was settled by the issue of 135,387,000 new shares at HK$0.2142 per share and the balance in cash. The total consideration is subject to adjustment if the actual net profit of the Pan Asia Group for the 12-month period commencing from the completion date falls below HK$10,000,000, in which case Pan Asia Century Consulting Limited shall pay to the Group an amount calculated as: (HK$10,000,000 – actual net profit) x 51%. The acquisition was completed on 24 September 2012.

GoalReal has expanded its scope of business at the end of 2012 and is now principally engaged in (i) investment management and consulting service, (ii) the provision of management solutions for hospitals, and (iii) sales of medical equipment.

Contingent Liabilities

At the end of the reporting period, the Group had contingent liabilities as follows:

(a) The Group has executed performance guarantees to the extent of an aggregate amount of approximately HK$4,838,000 (2012: HK$3,746,000) in respect of certain services provided to various customers by the Group.

(b) The Group had a contingent liability in respect of possible future long service payments to employees under the Employment Ordinance, with a maximum possible amount of approximately HK$2,830,000 as at 31 March 2013 (2012: HK$2,912,000). The contingent liability has arisen because, at the end of the reporting period, a number of current employees have achieved the required number of years of service to the Group in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated under certain circumstances. A provision of approximately HK$1,510,000 (2012: HK$1,531,000) in respect of such payments has been made in the condensed consolidated statement of financial position as at 31 March 2013.

(c) During the ordinary course of its business, the Group may from time to time be involved in litigation concerning personal injuries sustained by its employees or third party claimants. The Group maintains insurance cover and, in the opinion of the directors, based on current evidence, any such existing claims should be adequately covered by the insurance as at 31 March 2013 and 2012.

Employees and Remuneration Policies

The total number of employees of the Group as at 31 March 2013 was 1,519 (2012: 1,579). Total staff costs, including directors' emoluments and net pension contributions, for the year under review amounted to approximately HK$164,525,000 (2012: HK$165,984,000). The Group provides employees with training programmes to equip them with the latest skills.

Remunerations are commensurate with individual job nature, work experience and market conditions, and performance-related bonuses are granted to employees on discretionary basis. The share option scheme (the "Scheme") adopted by the Company on 24 April 2003 has expired on 23 April 2013. No further share options would be granted under the Scheme, but share options previously granted shall remain in full force and effect in all other respects.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

The Company had applied the principles and complied with the requirements set out in the Corporate Governance Code (the "CG Code") in Appendix 14 of the Listing Rules throughout the year ended 31 March 2013, except for the following:

Code Provision A.2.1 of the CG Code requires the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officer with the title of "chief executive officer". Mr. Ju Mengjun and Dr. Lo Kou Hong each holds the office of chairman and are also responsible for overseeing the general operations of the television screen broadcast business and the cleaning and related business, respectively. The Board considers that the arrangement is appropriate for the Group's dual business model and maintains consistent leadership, thereby enabling the Group to operate promptly and effectively.

Code Provision A.6.7 requires independent non-executive directors and non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders. Three independent non-executive directors were unable to attend the annual general meeting of the Company held on 29 September 2012 due to their other commitments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct governing directors' dealings in the Company's securities (the "Own Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all the directors who have confirmed that they have complied with the Own Code and the Model Code for the year ended 31 March 2013.

ANNUAL GENERAL MEETING

The 2013 annual general meeting of the Company will be held on Friday, 27 September 2013. A notice convening the meeting will be published and dispatched to shareholders of the Company in accordance with the requirements of the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 25 September 2013 to 27, September 2013, both days inclusive, during which period no transfer of shares will be registered. In order to qualify to attend and vote at the annual general meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 24 September 2013.

AUDIT COMMITTEE

The Audit Committee of the Company comprises three members, namely, Ms. Xu Zhijuan (Chairman of Audit Committee), Mr. Tang Binfeng and Mr. Xu Rong, who are independent non-executive directors of the Company. The Audit Committee has reviewed with management of the Group and auditors the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the Group's consolidated financial statements for the year ended 31 March 2013.

PUBLICATION OF RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange at (www.hkexnews.hk) and the Company at (www.XHNmedia.com). The 2012/13 annual report containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

On behalf of the Board
Xinhua News Media Holdings Limited
Ju Mengjun **Lo Kou Hong**
Co-chairman *Co-chairman*

Hong Kong, 28 June 2013

As at the date of this announcement, the Board comprises seven executive directors, namely Mr. Ju Mengjun, Dr. Lo Kou Hong, Mr. Mao Hongcheng, Mr. Chang Loong Cheong, Mr. Meng Jin, Mr. Shi Gouxiong and Mr. Zhou Guanghe; and four independent non-executive directors, namely Ms. Xu Zhijuan, Mr. Tang Binfeng, Mr. Xu Rong and Mr. Wang Qi.