CINDERELLA MEDIA GROUP LIMITED
先傳媒集團有限公司*
(continued in Bermuda with limited liability)
(Stock code: 550)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

AUDITED RESULTS

The board of directors (the "Board") of Cinderella Media Group Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2013, together with the comparative figures for the year ended 31 December 2012 as follows:

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 December 2013

	Notes	2013 HK$'000	2012 HK$'000
Turnover	3	1,719,694	1,526,041
Direct operating costs		(1,258,859)	(1,125,083)
Gross profit		460,835	400,958
Other revenue and net income	5	52,010	35,943
Selling and distribution costs		(214,515)	(117,739)
Administrative expenses		(64,973)	(52,432)
Other expenses		(9,631)	(13,077)
Finance costs	6	(2,205)	(2,528)
Profit before income tax	7	221,521	251,125
Income tax expense	8	(48,227)	(62,207)
Profit for the year		173,294	188,918
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange gain on translation of financial statements of foreign operations		6,321	73
Other comprehensive income for the year, net of tax		6,321	73
Total comprehensive income for the year		179,615	188,991

* *For identification purpose only*

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2013 (Continued)

	Notes	2013 HK$'000	2012 HK$'000
Profit for the year attributable to:			
Owners of the Company		125,399	161,732
Non-controlling interests		47,895	27,186
		173,294	188,918
Total comprehensive income attributable to:			
Owners of the Company		130,039	161,896
Non-controlling interests		49,576	27,095
		179,615	188,991
Earnings per share	10		
Basic		HK37.94 cents	HK49.84 cents
Diluted		HK37.86 cents	HK49.46 cents

Consolidated Statement of Financial Position
As at 31 December 2013

	Notes	2013 HK$'000	2012 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	200,905	219,404
Prepaid land lease payments	12	5,845	5,848
Investment properties	13	10,192	-
Intangible assets	14	66,117	66,487
Deferred tax assets		10,614	3,803
		293,673	295,542
Current assets			
Inventories	15	79,802	73,523
Trade and other receivables and deposits	16	492,709	517,167
Financial assets at fair value through profit or loss	17	1,498	870
Pledged cash and bank balances		33,365	7,297
Cash and cash equivalents		382,522	442,982
		989,896	1,041,839
Current liabilities			
Trade and other payables	18	281,099	289,277
Financial liabilities at fair value through profit or loss	19	-	718
Bank borrowings	20	64,612	118,297
Finance lease liabilities	21	526	6,227
Provision for taxation		13,007	60,591
		359,244	475,110
Net current assets		630,652	566,729
Total assets less current liabilities		924,325	862,271
Non-current liabilities			
Finance lease liabilities	21	-	526
Other payables		-	32,000
Deferred tax liabilities		17,391	15,940
		17,391	48,466
Net assets		906,934	813,805
EQUITY			
Share capital		66,482	65,632
Reserves		577,668	566,820
Equity attributable to owners of the Company		644,150	632,452
Non-controlling interests		262,784	181,353
Total equity		906,934	813,805

Consolidated Statement of Changes in Equity
For the year ended 31 December 2013

	Attributable to owners of the Company											Non-controlling interests	Total equity
	Share capital HK$'000	Share premium HK$'000	Employee compensation reserve HK$'000	Exchange reserve HK$'000	Merger reserve HK$'000	Contributed surplus HK$'000	Statutory reserves HK$'000	Other reserve HK$'000	Proposed final and special dividends HK$'000	Retained earnings HK$'000	Total HK$'000	HK$'000	HK$'000
Balance at 1 January 2012	64,118	95,396	4,146	(33)	(43,897)	2,371	2,089	(16,472)	128,284	378,014	614,016	164,263	778,279
Equity-settled share-based payment expense	-	-	740	-	-	-	-	-	-	-	740	-	740
Exercise of share options	1,514	12,883	(2,720)	-	-	-	-	-	-	-	11,677	-	11,677
Share issue expenses	-	(41)	-	-	-	-	-	-	-	-	(41)	-	(41)
Share options lapsed	-	-	(43)	-	-	-	-	-	-	43	-	-	-
Final and special 2011 dividends paid (Note 9)	-	-	-	-	-	-	-	-	(128,284)	(1,361)	(129,645)	-	(129,645)
Interim 2012 dividend paid (Note 9)	-	-	-	-	-	-	-	-	-	(26,191)	(26,191)	-	(26,191)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(10,005)	(10,005)
Transactions with owners	1,514	12,842	(2,023)	-	-	-	-	-	(128,284)	(27,509)	(143,460)	(10,005)	(153,465)
Profit for the year	-	-	-	-	-	-	-	-	-	161,732	161,732	27,186	188,918
Other comprehensive income													
Currency translation	-	-	-	164	-	-	-	-	-	-	164	(91)	73
Total comprehensive income for the year	-	-	-	164	-	-	-	-	-	161,732	161,896	27,095	188,991
Proposed final and special 2012 dividends (Note 9)	-	-	-	-	-	-	-	-	98,589	(98,589)	-	-	-
Appropriation to statutory reserves	-	-	-	-	-	-	252	-	-	(252)	-	-	-
Balance at 31 December 2012	65,632	108,238	2,123	131	(43,897)	2,371	2,341	(16,472)	98,589	413,396	632,452	181,353	813,805

Consolidated Statement of Changes in Equity
For the year ended 31 December 2013 (Continued)

	Attributable to owners of the Company												Non-controlling interests	Total equity
	Share capital	Share premium	Employee compensation reserve	Exchange reserve	Merger reserve	Contributed surplus	Statutory reserves	Other reserve	Employee compensation reserve of subsidiary	Proposed final and special dividends	Retained earnings	Total		
	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
Balance at 1 January 2013	65,632	108,238	2,123	131	(43,897)	2,371	2,341	(16,472)	-	98,589	413,396	632,452	181,353	813,805
Equity-settled share-based payment expense	-	-	52	-	-	-	-	-	589	-	-	641	387	1,028
Exercise of share options	850	7,815	(1,637)	-	-	-	-	-	-	-	-	7,028	-	7,028
Share issue expenses	-	(31)	-	-	-	-	-	-	-	-	-	(31)	-	(31)
Final and special 2012 dividends paid (Note 9)	-	-	-	-	-	-	-	-	-	(98,589)	(717)	(99,306)	-	(99,306)
Interim 2013 dividend paid (Note 9)	-	-	-	-	-	-	-	-	-	-	(26,497)	(26,497)	-	(26,497)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(6,111)	(6,111)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	40,021	40,021
Loss on acquisition of non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(176)	-	-	-	(176)	(2,442)	(2,618)
Transactions with owners	850	7,784	(1,585)	-	-	-	-	(176)	589	(98,589)	(27,214)	(118,341)	31,855	(86,486)
Profit for the year	-	-	-	-	-	-	-	-	-	-	125,399	125,399	47,895	173,294
Other comprehensive income														
Currency translation	-	-	-	4,640	-	-	-	-	-	-	-	4,640	1,681	6,321
Total comprehensive income for the year	-	-	-	4,640	-	-	-	-	-	-	125,399	130,039	49,576	179,615
Proposed final 2013 dividends (Note 9)	-	-	-	-	-	-	-	-	-	66,488	(66,488)	-	-	-
Balance at 31 December 2013	66,482	116,022	538	4,771	(43,897)	2,371	2,341	(16,648)	589	66,488	445,093	644,150	262,784	906,934

Consolidated Statement of Changes in Equity
For the year ended 31 December 2013 (Continued)

Merger reserve of the Group arose as a result of the Group's reorganisation in 2000 and represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital of Recruit (BVI) Limited. Contributed surplus of the Group arose as a result of the reduction in share capital in accordance with the Group's capital reorganisation in 2003.

Other reserve of the Group represented (1) the difference between the fair value of consideration paid to acquire additional interest in subsidiaries and the amount of adjustment to non-controlling interests and (2) the difference between the fair value of consideration received on dilution of interests in 1010 Printing Group Limited and the amount of adjustment to non-controlling interests.

In accordance with relevant regulations prevailing in the People's Republic of China ("the PRC"), certain of the Company's subsidiaries, established in the PRC, are required to appropriate no less than 10% of their net profits to the statutory reserves, until the respective balances of the fund reach 50% of the respective registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, these statutory reserves may be used to offset against their respective accumulated losses, if any.

1. General information

Cinderella Media Group Limited (the "Company") was incorporated in the Cayman Islands as an exempted company on 13 March 2000 and redomiciled to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda, with limited liability on 29 January 2003. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is 26/F, 625 King's Road, North Point, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "SEHK").

As at 31 December 2013, the Company's ultimate holding company is ER2 Holdings Limited which was incorporated in Hong Kong and the Company's immediate holding company is City Apex Limited, which was incorporated in the British Virgin Islands.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("the HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK.

2. Change of accounting policies and adoption of new or amended HKFRSs

Change of accounting policies

For the year ended 31 December 2012, the cost of the Group's inventories was determined using first-in, first-out method. With effect from 1 January 2013, the Group changed its accounting policy on its inventory valuation to the weighted average method. The Group considers that the weighted average method can better reflect the cost of inventories expensed during the year as well as simplifying the inventory valuation procedures.

In accordance with HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", change in accounting policy should be accounted for retrospectively. The Directors have assessed and concluded that the change in accounting policy has had no material effect on the consolidated statement of financial position as at 1 January 2012 and 31 December 2012 in view of the short inventory turnover period of the Group during the years ended 31 December 2011 and 2012. Accordingly, the comparative figures have not been restated and the third statement of financial position as at 1 January 2012 is not presented.

Adoption of new or amended HKFRSs

During the year, the Group has adopted all the amended HKFRSs which are first effective for the reporting year and relevant to the Group. Except as explained below, the adoption of these amended HKFRSs did not result in material changes to the Group's accounting policies.

Amendments to HKAS 1 (Revised) - Presentation of Items of Other Comprehensive Income

The amendments change the disclosure of items presented in other comprehensive income in the statement of comprehensive income and require entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled will be presented separately from items that may be recycled in the future. Entities that choose to present other comprehensive income items before tax will be required to show the amount of tax related to the two groups separately. The title used by HKAS 1 for the statement of comprehensive income has been changed to "Statement of profit or loss and other comprehensive income". The Group has chosen to use this new title.

2. Change of accounting policies and adoption of new or amended HKFRSs (Continued)

Adoption of new or amended HKFRSs (Continued)

HKFRS 10 Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. HKFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of "de facto" control where an investor can control an investee while holding less than 50% of the investee's voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them. The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor.

An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The implementation of HKFRS 10 may result in changes in those entities which are regarded as being controlled by the Group and are therefore consolidated in the financial statements. The accounting requirements in the existing HKAS 27 on other consolidation related matters are carried forward unchanged. HKFRS 10 is applied retrospectively subject to certain transitional provisions.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.

HKFRS 12 Disclosure of Interests in Other Entities

HKFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity's interests in other entities and the effects of those interests on the reporting entity's financial statements.

As the new standard affects only disclosure, there is no effect on the Group's financial position and performance.

HKFRS 13 Fair Value Measurement

HKFRS 13 provides a single source of guidance on how to measure fair value when it is required or permitted by other standards. The standard applies to both financial and non-financial items measured at fair value and introduces a fair value measurement hierarchy. The definitions of the three levels in this measurement hierarchy are generally consistent with HKFRS 7 "Financial Instruments: Disclosures". HKFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard removes the requirement to use bid and ask prices for financial assets and liabilities quoted in an active market. Rather the price within the bid-ask spread that is most representative of fair value in the circumstances should be used. It also contains extensive disclosure requirements to allow users of the financial statements to assess the methods and inputs used in measuring fair values and the effects of fair value measurements on the financial statements. HKFRS 13 is applied prospectively.

HKFRS 13 did not materially affect any fair value measurements of the Group's assets and liabilities and therefore has no effect on the Group's financial position and performance.

2. Change of accounting policies and adoption of new or amended HKFRSs (Continued)

Adoption of new or amended HKFRSs (Continued)

Amendments to HKFRS 7 – Disclosures – Offsetting financial assets and financial liabilities

The amendments introduce new disclosures in respect of offsetting financial assets and financial liabilities. Those new disclosures are required for all recognised financial instruments that are set off in accordance with HKAS 32 "Financial instruments: Presentation" and those that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments and transactions, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

The adoption of the amendments does not have an impact on these financial statements because the Group has no offset financial instruments, nor has it entered into master netting arrangement or similar agreement which is subject to the disclosures of HKFRS 7 during the periods presented.

New/revised HKFRSs that have been issued and have been early adopted

Amendments to HKAS 36 – Recoverable Amount Disclosures

The amendments limit the requirements to disclose the recoverable amount of an asset or cash generating unit ("CGU") to those periods in which an impairment loss has been recognised or reversed, and expand the disclosures where the recoverable amount of impaired assets or CGUs has been determined based on fair value less costs of disposal. The amendments are effective for annual periods commencing on or after 1 January 2014. The Group has early adopted the amendments to HKAS 36 in the current period.

New/amended HKFRSs that have been issued but are not yet effective

At the date of this results announcement, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The directors of the Company (the "Directors") anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. The Directors are currently assessing the impact of the new and amended HKFRSs upon initial application. So far, the Directors have preliminarily concluded that the initial application of these HKFRSs will not result in material financial impact on the consolidated financial statements. Information on new and amended HKFRSs that are expected to have an impact on the Group's accounting policies is provided below.

HKFRS 9 Financial instruments

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for de-recognition of financial assets and financial liabilities.

3. Turnover

Turnover represents the revenue from the Group's principal activities as analysed below:

	2013 HK$'000	2012 HK$'000
Advertising income	556,152	825,976
Printing income	1,163,542	700,065
	1,719,694	1,526,041

4. Segment information

The executive directors have identified the Group's three service lines as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

	Advertising		Printing		Investment		Consolidated	
	2013 HK$'000	2012 HK$'000	2013 HK$'000	2012 HK$'000	2013 HK$'000	2012 HK$'000	2013 HK$'000	2012 HK$'000
Revenue								
- External sales	556,152	825,976	1,163,542	700,065	-	-	1,719,694	1,526,041
Reportable segment profit/(loss)	82,897	177,619	150,313	84,094	(48)	312	233,162	262,025
Amortisation of prepaid land lease payments	146	143	-	-	-	-	146	143
Bank interest income	847	2,393	173	110	-	-	1,020	2,503
Depreciation of property, plant and equipment	1,557	1,516	30,732	30,483	-	-	32,289	31,999
Amortisation of intangible assets	-	-	370	-	-	-	370	-
(Loss)/Gain on disposal of property, plant and equipment	-	(25)	(2,316)	77	-	-	(2,316)	52
Gain/(Loss) on financial assets/liabilities at fair value through profit or loss	-	-	5,544	(1,682)	(66)	257	5,478	(1,425)
Impairment of trade receivables written back	3,674	1,676	5,959	294	-	-	9,633	1,970
Impairment of trade receivables	4,149	5,457	5,483	7,620	-	-	9,632	13,077
Write-down of inventories	-	-	5,689	4,896	-	-	5,689	4,896
Reportable segment assets	216,279	222,792	897,720	856,621	4,949	4,967	1,118,948	1,084,380
Additions to non-current segment assets during the year	442	517	27,562	21,932	-	-	28,004	22,449
Reportable segment liabilities	102,687	69,198	177,692	254,153	20	20	280,399	323,371

4. Segment information (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	2013 HK$'000	2012 HK$'000
Reportable segment revenue (Turnover)	1,719,694	1,526,041
Other revenue (Note 5)	21,948	24,515
Group revenue	1,741,642	1,550,556
Reportable segment profit	233,162	262,025
Unallocated corporate income	6,041	2,471
Equity-settled share-based payment	(1,028)	(740)
Unallocated corporate expenses	(14,449)	(10,103)
Finance costs	(2,205)	(2,528)
Profit before income tax	221,521	251,125
Reportable segment assets	1,118,948	1,084,380
Deferred tax assets	10,614	3,803
Other corporate assets	154,007	249,198
Group assets	1,283,569	1,337,381
Reportable segment liabilities	280,399	323,371
Other corporate liabilities	14,233	65,968
Deferred tax liabilities	17,391	15,940
Borrowings	64,612	118,297
Group liabilities	376,635	523,576

The Group's reportable segment revenue from external customers and its non-current assets are divided into the following geographical areas:

	Revenue from external customers		Non-current assets (excluding deferred tax assets)	
	2013 HK$'000	2012 HK$'000	2013 HK$'000	2012 HK$'000
PRC	447,868	728,775	198,372	205,638
United States of America	458,720	289,390	189	92
United Kingdom	217,615	160,140	6	13
Australia	161,041	135,951	34	42
Hong Kong (domicile)	118,389	111,449	84,430	85,912
Spain	83,179	679	-	-
Germany	26,293	36,328	-	-
New Zealand	28,848	19,227	-	-
Others	177,741	44,102	28	42
	1,719,694	1,526,041	283,059	291,739

Sales by geographical markets are analysed based on the location of customers and the geographical location of non-current assets is based on (1) the physical location of the assets (for property, plant and equipment and prepaid land lease payments) and (2) location of operations (for intangible assets).

5. Other revenue and net income

	2013 HK$'000	2012 HK$'000
Sales of scrapped paper and by-products	18,681	19,424
Interest income	3,219	5,039
Dividend income from listed equity securities	48	52
Other segment revenue (Note 4)	21,948	24,515
Net foreign exchange gain	6,200	4,773
Impairment of trade receivables written back	9,633	1,970
Bad debt recovered	176	-
Gain on disposals of property, plant and equipment	-	52
Rental income	215	-
Gain on financial assets at fair value through profit or loss	5,478	-
Gain on early settlement of payables to the vendors for the acquisition of APOL (Note 22)	1,760	-
Sundry income	6,600	4,633
	52,010	35,943

6. Finance costs

	2013 HK$'000	2012 HK$'000
Interest charges on bank borrowings, which contain repayment on demand clause		
- wholly repayable within five years	1,864	2,252
- not wholly repayable within five years	233	-
Finance lease charges	108	276
	2,205	2,528

7. Profit before income tax

	2013 HK$'000	2012 HK$'000
Profit before income tax is arrived at after charging/(crediting):		
Amortisation of prepaid land lease payments	146	143
Auditor's remuneration	1,748	1,662
Cost of inventories recognised as an expense	431,069	377,615
Write down of inventories	5,071	4,896
Reversal of write-down of inventories	(78)	(2,900)
Amortisation of intangible assets	370	-
Depreciation of property, plant and equipment:		
- Owned assets	30,711	31,824
- Leased assets	1,864	644
Depreciation of investment properties	178	-
Employee benefit expense	211,168	148,873
Impairment of trade receivables	9,562	13,077
Bad debt written off	70	-
Loss on disposals of property, plant and equipment	2,316	-
Minimum lease payments paid under operating leases in respect of:		
- Rented premises and production facilities	15,080	13,911
- Internet access line	222	328
Direct operating expenses arising from investment properties that generated rental income	45	-
(Gains)/Losses on financial assets/liabilities at fair value through profit or loss	(5,478)	1,425

For the year ended 31 December 2013, auditor's remuneration for other services paid was HK$100,000 (2012: HK$150,000).

Note: Depreciation charges of HK$29,348,000 (2012: HK$27,974,000) and HK$3,227,000 (2012: HK$4,494,000) have been included in direct operating costs and administrative expenses respectively.

8. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2013 HK$'000	2012 HK$'000
Hong Kong profits tax		
Current year	35,268	31,895
Over provision in prior years	(549)	(230)
	34,719	31,665
Overseas tax		
Current year	18,755	31,174
Over provision in prior years	-	(79)
	18,755	31,095
Deferred tax		
Current year	(5,247)	(553)
	48,227	62,207

9. Dividends and distribution

(a) Dividends attributable to the year:

	2013 HK$'000	2012 HK$'000
Interim dividend of HK$0.08 (2012: HK$0.08) per share	26,497	26,191
Proposed final dividend of HK$0.2 (2012: HK$0.2) per share	66,488	65,726
Proposed special dividend of Nil (2012: HK$0.1) per share	-	32,863
	92,985	124,780

The Company proposed the distribution in specie ("Distribution in Specie") of shares in 1010 Printing Group Limited, which is held by the Company and Recruit (BVI) Limited, a directly wholly owned subsidiary of the Company, to its shareholders on the basis of 139 shares in 1010 Printing Group Limited for every 100 ordinary shares of the Company held by the shareholders as at the record date.

Final dividend, special dividend and Distribution in Specie proposed after the reporting date have not been recognised as a liability at the reporting date, but reflected as an appropriation of retained earnings for the years ended 31 December 2013 and 2012 to proposed final and special dividends reserve except for the proposed special dividend in the form of a distribution in specie for the year ended 31 December 2013 as the fair values of those shares at the date of distribution are not yet known.

The proposed final dividend, special dividend and Distribution in Specie are to be distributed subsequent to the reporting date and are subject to the approval of the Company's equity holders in the forthcoming annual general meeting.

(b) Dividends approved and paid during the year:

	2013 HK$'000	2012 HK$'000
Interim dividend of HK$0.08 (2012 : HK$0.08) per share	26,497	26,191
Final dividend of HK$0.2 (2012: HK$0.2) per share in respect of the previous financial year	65,726	64,142
Additional final dividend in respect of the previous financial year	717	1,361
Special dividend of HK$0.1 (2012: HK$0.2) per share in respect of the previous financial year	32,863	64,142
	125,803	155,836

10. Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

	2013 HK$'000	2012 HK$'000
Profit for the year attributable to owners of the Company	125,399	161,732

	Number of shares 2013 '000	Number of shares 2012 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	330,551	324,506
Effect of dilutive potential ordinary shares in respect of share options issued by the Company	661	2,467
Weight average number of ordinary shares for the purpose of diluted earnings per share	331,212	326,973

11. Property, plant and equipment

	Leasehold land and buildings HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Leasehold improvements HK$'000	Computer equipment and system HK$'000	Motor vehicles HK$'000	Machinery HK$'000	Total HK$'000
At 1 January 2012								
Cost	19,748	5,299	5,027	43,716	36,215	2,206	248,837	361,048
Accumulated depreciation	(263)	(3,432)	(3,217)	(22,841)	(31,856)	(865)	(68,816)	(131,290)
Net book amount	19,485	1,867	1,810	20,875	4,359	1,341	180,021	229,758
Year ended 31 December 2012								
Opening net book amount	19,485	1,867	1,810	20,875	4,359	1,341	180,021	229,758
Exchange differences	25	1	5	2	5	1	61	100
Additions	-	419	701	1,590	1,092	-	19,539	23,341
Acquisition of subsidiaries	-	56	18	1	97	14	-	186
Disposals	-	(20)	(10)	(6)	-	-	(1,439)	(1,475)
Disposal of a subsidiary	-	(4)	(29)	-	(5)	-	-	(38)
Depreciation	(519)	(753)	(742)	(4,939)	(3,114)	(391)	(22,010)	(32,468)
Closing net book amount	18,991	1,566	1,753	17,523	2,434	965	176,172	219,404
At 31 December 2012								
Cost	19,775	5,703	5,707	44,882	37,287	2,226	266,950	382,530
Accumulated depreciation	(784)	(4,137)	(3,954)	(27,359)	(34,853)	(1,261)	(90,778)	(163,126)
Net book amount	18,991	1,566	1,753	17,523	2,434	965	176,172	219,404
Year ended 31 December 2013								
Opening net book amount	18,991	1,566	1,753	17,523	2,434	965	176,172	219,404
Exchange differences	71	(2)	18	3	5	17	3,797	3,909
Additions	-	382	673	8,485	1,125	2,024	15,628	28,317
Disposals	-	(4)	(56)	(679)	(2)	(254)	(6,785)	(7,780)
Transfer to investment properties (Note 13)	(10,370)	-	-	-	-	-	-	(10,370)
Depreciation	(401)	(739)	(717)	(5,037)	(1,983)	(524)	(23,174)	(32,575)
Closing net book amount	8,291	1,203	1,671	20,295	1,579	2,228	165,638	200,905
At 31 December 2013								
Cost	9,052	6,024	6,206	50,886	38,368	3,149	278,257	391,942
Accumulated depreciation	(761)	(4,821)	(4,535)	(30,591)	(36,789)	(921)	(112,619)	(191,037)
Net book amount	8,291	1,203	1,671	20,295	1,579	2,228	165,638	200,905

Net book amount of property, plant and equipment as at 31 December 2013 includes the net carrying amount of HK$19,012,000 (2012: HK$20,876,000) held under finance leases.

As at 31 December 2013, the Group's leasehold land and buildings were situated in the PRC and Hong Kong and were held under medium-term leases.

As at 31 December 2013, certain of the Group's leasehold land and buildings with net book amount of HK$5,344,000 (2012: HK$16,042,000) were pledged to secure banking borrowings granted to the Group and certain of the Group's property, plant and equipment with net book amount of HK$442,000 (2012: HK$186,000) were collateralised against the banking facilities granted to the Group.

12. Prepaid land lease payments

	2013 HK$'000	2012 HK$'000
At 1 January		
Cost	6,315	6,264
Accumulated amortisation	(467)	(320)
Net book amount	5,848	5,944
Opening net book amount	5,848	5,944
Exchange differences	143	47
Amortisation	(146)	(143)
Closing net book amount	5,845	5,848
At 31 December		
Cost	6,470	6,315
Accumulated amortisation	(625)	(467)
Net book amount	5,845	5,848

As at 31 December 2013, the Group's prepaid land lease payments represented up-front payments to acquire the right of use of land in the PRC, which was held under a medium-term lease.

13. Investment properties

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the cost model and are classified and accounted for as investment properties.

Changes in the carrying amounts presented in the statement of financial position can be summarised as follows:

	2013 HK$'000	2012 HK$'000
At 1 January		
Cost	-	-
Accumulated depreciation	-	-
Net book amount	-	-
Opening net book amount	-	-
Transfer from property, plant and equipment (Note 11)	10,370	-
Depreciation	(178)	-
Closing net book amount	10,192	-
At 31 December		
Cost	10,370	-
Accumulated depreciation	(178)	-
Net book amount	10,192	-

All of the investment properties as at 31 December 2013 were pledged to secure bank borrowings granted to the Group (2012: Nil). As at 31 December 2013, the Group's investment properties were situated in Hong Kong and were held under medium-term leases.

14. Intangible assets

	Goodwill HK$'000	Non competition covenants HK$'000	Total HK$'000
At 1 January 2012			
Gross carrying amount	23,733	-	23,733
Accumulated impairment	(14,119)	-	(14,119)
Net carrying amount	9,614	-	9,614
Net carrying amount as at 1 January 2012	9,614	-	9,614
Acquired through business combination (Note 22)	56,132	741	56,873
Net carrying amount at 31 December 2012	65,746	741	66,487
At 31 December 2012			
Gross carrying amount	79,865	741	80,606
Accumulated impairment	(14,119)	-	(14,119)
Net carrying amount	65,746	741	66,487
Net carrying amount as at 1 January 2013	65,746	741	66,487
Amortisation	-	(370)	(370)
Net carrying amount at 31 December 2013	65,746	371	66,117
At 31 December 2013			
Gross carrying amount	79,865	741	80,606
Accumulated amortisation and impairment	(14,119)	(370)	(14,489)
Net carrying amount	65,746	371	66,117

15. Inventories

	2013 HK$'000	2012 HK$'000
Raw materials	56,788	49,231
Work-in-progress	22,737	23,002
Finished goods	277	1,290
	79,802	73,523

As at 31 December 2013, the Group's inventories of HK$17,317,000 (2012: HK$11,529,000) were collateralised against the banking facilities.

16. Trade and other receivables and deposits

Ageing analysis of trade receivables, net of provision as at 31 December 2013, based on the invoice date, is as follows:

	2013 HK$'000	2012 HK$'000
0 - 30 days	104,805	108,386
31 - 60 days	77,914	96,945
61 - 90 days	65,521	73,981
91 - 120 days	102,614	73,309
121 - 150 days	46,819	67,497
Over 150 days	37,274	55,299
Total trade receivables	434,947	475,417
Other receivables and deposits	57,762	41,750
	492,709	517,167

The Group allows a credit period from 7 to 150 days (2012: 7 to 180 days) to its customers. As at 31 December 2013, the Group's trade and other receivables of HK$139,365,000 (2012: HK$151,383,000) were collateralised against the banking facilities.

17. Financial assets at fair value through profit or loss

	2013 HK$'000	2012 HK$'000
Held for trading		
Equity securities, listed in Hong Kong	804	870
Forward foreign exchange contracts	694	-
Fair value	1,498	870

18. Trade and other payables

As at 31 December 2013, ageing analysis of trade payables based on invoice date is as follows:

	2013 HK$'000	2012 HK$'000
0 – 30 days	56,458	51,345
31 – 60 days	29,799	34,716
61 - 90 days	21,503	25,325
91 – 120 days	11,284	8,595
Over 120 days	8,145	18,473
	127,189	138,454
Other payables and accruals	153,910	150,823
	281,099	289,277

Credit terms granted by suppliers are 30 days to 90 days save for the net balance payable to a major business partner of the Group which is settled on a half yearly (2012 : half yearly) basis according to the terms of an agreement signed with this business partner.

19. Financial liabilities at fair value through profit or loss

As at 31 December 2012, this related to forward foreign exchange contracts which were considered by management as part of economic hedging arrangements but had not been formally designated as hedges in accordance with HKAS 39. These foreign exchange contracts were stated at fair value.

20. Bank borrowings

	2013 HK$'000	2012 HK$'000
Current portion		
- Bank loans due for repayment within one year	23,139	24,636
- Bank loans due for repayment after one year which contain a repayment on demand clause	41,473	93,661
Total bank borrowings	64,612	118,297

Assuming that the banks do not invoke the clause for repayment on demand and based on the repayment dates as scheduled in the loan agreements, the Group's bank borrowings which are due for repayment as at each of the reporting dates are as follows:

	2013 HK$'000	2012 HK$'000
Within one year	23,139	50,440
In the second year	21,859	25,804
In the third to fifth year	16,598	37,873
Wholly repayable within five years	61,596	114,117
Beyond the fifth year	3,016	4,180
	64,612	118,297

21. Finance lease liabilities

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

	2013 HK$'000	2012 HK$'000
Total minimum lease payments :		
Due within one year	527	6,335
Due in the second to fifth year	-	527
	527	6,862
Future finance charges on finance leases	(1)	(109)
Present value of finance lease liabilities	526	6,753
Present value of minimum lease payments :		
Due within one year	526	6,227
Due in the second to fifth year	-	526
	526	6,753
Less : Portion due within one year included under current liabilities	(526)	(6,227)
Non-current portion included under non-current liabilities	-	526

21. Finance lease liabilities (Continued)

The Group entered into finance leases for various items of machineries. These leases run for initial periods of four years (2012: four years). These leases do not have options to renew or any contingent rental provisions.

Finance lease liabilities are effectively secured by the underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default of repayment by the Group.

22. Business Combination

On 12 December 2012, the Group entered into the share transfer agreement with independent third parties to acquire the entire issued share capital of Asia Pacific Offset Limited ("APOL") at a consideration of HK$160 million. APOL was engaged in the business of printing, binding, colour separation and other printed and non-printed books, magazines and other printed material. The acquisition of this company allowed the Group to broaden its client base in the Europe and the United States of America.

The acquisition was completed on 28 December 2012. On 28 December 2012, the Group owned 93.33% equity interest in APOL whilst the remaining equity interest in APOL will be transferred to the Group on 28 December 2013. According to the share transfer agreement, the Group had already obtained all the rights for the entire equity interest of APOL (including the right to all dividends declared) since 28 December 2012. Goodwill of HK$56,132,000 arose on the acquisition of APOL, reflecting the benefits of revenue growth and future market development of APOL contributed to the Group's existing printing services. Amounts of HK$100 million and HK$28 million were paid in December 2012 and February 2013 respectively. According to the share transfer agreement, the remaining consideration of HK$32 million shall be payable on 28 December 2014. On 27 December 2013, the Group entered into a supplemental agreement, pursuant to which:

(a) the remaining consideration of HK$32 million shall be lowered by 5.5% from HK$32,000,000 to HK$30,240,000; and

(b) the due date of the remaining consideration shall be changed from 28 December 2014 to the subsequent completion date (i.e. 28 December 2013).

An amount of HK$30,240,000 was settled in December 2013 accordingly. Gain on early settlement of payables for the acquisition of APOL amounted to HK$1,760,000 has been recognised in other income (Note 5).

CHAIRMAN'S STATEMENT

The Group recorded comprehensive income of HKD180 million in 2013, a slight drop compared to HKD189 million in the previous year.

The strong results turned in by 1010 Printing Group Limited ("1010 Printing") played a pivotal part in making up for the reduced earnings inflicted by the expiry of the Air China inflight magazine contract.

Earlier on, we recognized the inherent difficulty of operating a sustainable magazine business under the agency model and have been actively seeking out alternative business opportunities in China and elsewhere in the past several years. To-date, the initiative has been disappointing. We realized any acquisition must meet the return on investment objectives and, in the interest of our shareholders, we sometimes had to walk away from a "sub-par" proposition than to make a tentative plunge. Despite that, management is unfazed and, in conjunction with our financial advisors, is constantly seeking ways to enhance the value of our shares. The Board is proposing the distribution of the Group's 60% stake in 1010 Printing to existing Cinderella shareholders. This will make the Group a focused player in the media industry. In doing so, the public float of 1010 Printing will be increased and that will in turn improve the liquidity of 1010 Printing's shares.

In sum, 2013 has been a year of transition for the Group. To our 1000+ staff, I would like to express the board's appreciation for their dedicated and continued contributions.

Wan Siu Kau
Chairman
Hong Kong, 26 February 2014

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The inflight magazine business, anchor of our business portfolio for the past five years, sailed into strong head wind in 2013. The loss of income from Air China contract was significant. The year also saw the impact of the anti-corruption measures taken by the Central Government on sales of luxury goods in China. A report by management company, Bain and Company reported that retail sales of goods in the luxury category slowed to 2% in 2013 from 7% growth in the previous year.

Advertising spending in China continued its shift from "old economy" media: print and radio to social media such as mobile apps and internet. By one unofficial source, spending on magazines in China declined by 7% in the first half of 2013.

Sales revenue from our two inflight magazines, China Southern Airlines and China Eastern Airlines, out-formed our competitors by keeping the decline within single digit. The rest of our inflight magazine portfolio turned in mixed results: China Airlines achieved record sales and operating profits while the newly acquired Hong Kong Airlines contract registered a small trading loss in its first year of operation.

The Recruit unit performed well in a crowded market and registered a 29% increase in net profit after tax. The local recruitment advertising market continues to shrink as it moves to the mobile app platform where advertising rates are significantly lower than those charged by the web and print. The five job fairs held by Recruit in Hong Kong were well received by our advertising clients as a supplementary channel for attracting job applicants, particularly in the retail and catering sectors.

1010 Printing had an outstanding year helped by solid organic growth and contributions made by Asia Pacific Offset Limited, a wholly print management company acquired in December, 2012. 1010 Printing's sales revenue of HKD1.2 billion makes it one of the top printers in the world.

PROSPECTS

2014 has started on a weak note for our inflight magazine business, weighed by the slow down of advertising spending by luxury goods in China. We are working closely with our airline media principals to create new products that will broaden our service offering to clients.

The recently announced acquisition of JobStreet's online employment business by Seek, the Austrian based owner of JobsDB, HK leading recruitment advertising website marks another step in the consolidation of the recruitment advertising industry in the region. We are monitoring the development closely.

2014 Order-in-take for 1010 Printing is meeting our sales budget. We expect another set of good results from 1010 Printing in 2014.

FINANCIAL REVIEW

Turnover for the year ended 31 December 2013 was approximately HK$1.72 billion and represented an increase of 13% from the previous corresponding year (2012: HK$1.53 billion); whereas the advertising business and printing business accounted for 32% and 68% of the Group's revenue, representing a 33% drop and 66% growth respectively.

Other income increased by 45% to approximately HK$52.0 million in 2013 (2012: HK$35.9 million) mainly due to the increase in impairment of trade receivables written back of HK$7.7 million, gain on financial assets at fair value through profit or loss of HK$5.5 million, net foreign exchange gain of HK$1.4 million and gain on early settlement of payables to the vendors for the acquisition of Asia Pacific Offset Limited ("APOL") of HK$1.8 million.

The selling and distribution expenses increased by 82% as a result of the increase in printing business which have higher agency commission and distribution expenses. The administrative expenses increased by 24% mainly due to inclusion of APOL expenses in 2013. Other expenses represented mainly the provision for impairment on trade receivables. The decrease in other expense by 26% was due to the improvement in debtor repayment performance in the year.

The Group's profit for the year decreased by 8% to HK$173.3 million. The decrease is mainly due to the termination of Air China exclusive advertising contract in inflight magazine advertising business in 2013. The Group's total comprehensive income attributable to owners of the Company recorded a 20% drop, amounting to approximately HK$130.0 million (2012: HK$161.9 million).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2013, the Group had net current assets of approximately HK$630.7 million (2012: HK$566.7 million). The Group's current ratio as at 31 December 2013, which is defined as current assets over current liabilities, was 2.8 (2012: 2.2). The financial position of the Group was healthy with total cash and bank deposits of approximately HK$415.9 million (2012: HK$450.3 million).

The Group's gearing ratio as at 31 December 2013 was 7.2 % (2012: 15.4%), which is calculated on the basis of the Group's total interest-bearing debts over the total equity interest. Total bank borrowings and finance lease liabilities were approximately HK$65.1 million (2012: HK$125.1 million). As at 31 December 2013, borrowings of HK$30.3 million and HK$34.8 million are denominated in Hong Kong dollars and US dollars respectively. All borrowings are at floating rates and repayable within five years except an amount of HK$3.0 million being repayable after five years and subject to a repayable on demand clause. The net book amount of property, plant and equipment includes net carrying amount of approximately HK$19.0 million (2012: HK$20.9 million) in respect of assets held under finance leases.

The Group adopts centralized financing and treasury policies in order to ensure the Group funding is utilized efficiently. Conservative approach is adopted on monitoring foreign exchange exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading and capital expenditure when it was considered appropriate.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 December 2013, the Group had around 1,095 employees (2012: 1,136). The pay scale of the Group's employees is maintained at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system. Other employees benefits include provident fund, insurance, medical cover and stock option.

FINAL DIVIDEND, DISTRIBUTION IN SPECIE AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of HK$0.20 (2012: HK$0.20 and special dividend of HK$0.10) per share (the "Final Dividend") for the year ended 31 December 2013 to holders of ordinary shares of the Company whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 2 May 2014.

In addition to the Final Dividend, the Board has also resolved to recommend the distribution in specie (the "Distribution in Specie") of the shares in 1010 Printing Group Ltd ("1010PGL") which are currently held by the Company and entitled by the Company to receive from Recruit (BVI) Limited, a wholly owned subsidiary of the Company, as a result of the distribution in specie by Recruit (BVI) Limited ("Distribution 1010 Shares"). Subject to the fulfilment of all relevant conditions precedent, the Distribution in Specie will be made on the basis of 139 Distribution 1010 Shares for every 100 ordinary shares of the Company held by the holders of ordinary shares of the Company whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 2 May 2014. Assuming no options will be exercised from the date of this announcement to 2 May 2014, it is expected that the Company will remain to hold about 2 million shares in 1010 PGL after the Distribution in Specie.

The register of shareholders will be closed on 2 May 2014, during which period no transfer of shares will be registered. To qualify for the Final Dividend and Distribution in Specie, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, whose share registration public offices are located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 30 April 2014. The relevant dividend warrants will be dispatched to shareholders on or around 19 May 2014.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the Corporate Governance Code and Corporate Governance Report for the year contained in Appendix 14 of the Listing Rules.

AUDIT COMMITTEE

The audit committee has three members comprising the three independent non-executive directors, namely, Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Ho David with terms of reference in compliance with the Listing Rules. The audit committee has reviewed the audited financial results of the Group for the year ended 31 December 2013.

On behalf of the Board
Lau Chuk Kin
Executive Director

Hong Kong, 26 February 2014

As at the date of this announcement, the Board comprises Lau Chuk Kin and Lam Mei Lan as executive directors, Wan Siu Kau, Lee Ching Ming, Adrian and Peter Stavros Patapios Christofis as non-executive directors and Ling Lee Ching Man, Eleanor, Cheng Ping Kuen, Franco and Ho David as independent non-executive directors.

This final results announcement is published on the website of Hong Kong Stock Exchange at www.hkex.com.hk and on the Company's website at www.cinderellagroup.com.hk. The annual report 2013 of the Company will also be published on the aforesaid websites in due course.