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 2011

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 2011, together with the comparative figures for the year ended 31 December 2010 as follows:

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2011

	Notes	2011 HK$'000	2010 HK$'000
Turnover	3	**1,425,492**	1,152,539
Direct operating costs		**(1,076,341)**	(833,320)
Gross profit		**349,151**	319,219
Other revenue and net income	5	**41,557**	34,873
Selling and distribution costs		**(108,577)**	(110,197)
Administrative expenses		**(53,771)**	(41,584)
Other expenses		**(11,077)**	(18,134)
Finance costs	6	**(2,507)**	(1,866)
Profit before income tax	7	**214,776**	182,311
Income tax expense	8	**(22,836)**	(12,810)
Profit for the year		**191,940**	169,501
Other comprehensive income			
Exchange gain on translation of financial statements of foreign operations		**357**	428
Other comprehensive income for the year, net of tax		**357**	428
Total comprehensive income for the year		**192,297**	169,929

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2011 (Continued)

	Notes	2011 HK$'000	2010 HK$'000
Profit for the year attributable to:			
Owners of the Company		**173,842**	157,528
Non-controlling interests		**18,098**	11,973
		191,940	169,501
Total comprehensive income attributable to:			
Owners of the Company		**174,121**	157,987
Non-controlling interests		**18,176**	11,942
		192,297	169,929
Earnings per share for profit attributable to owners of the Company during the year	10		
Basic		**HK54.74 cents**	HK50.80 cents
Diluted		**HK54.04 cents**	HK50.33 cents

Consolidated Statement of Financial Position
As at 31 December 2011

	Notes	2011 HK$'000	2010 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	**229,758**	206,992
Prepaid land lease payments	12	**5,944**	5,837
Interests in associate		**-**	-
Goodwill		**9,614**	-
		245,316	212,829
Current assets			
Inventories	13	**63,874**	59,905
Trade and other receivables and deposits	14	**425,842**	340,347
Financial assets at fair value through profit or loss	15	**2,572**	3,773
Advances to associate		**-**	-
Taxes recoverables		**666**	1,028
Cash and cash equivalents		**407,252**	218,182
		900,206	623,235
Current liabilities			
Trade and other payables	16	**185,670**	128,764
Financial liabilities at fair value through profit or loss	17	**-**	5,174
Bank borrowings	18	**133,901**	116,646
Finance lease liabilities	19	**6,060**	7,003
Provision for taxation		**21,408**	5,925
		347,039	263,512
Net current assets		**553,167**	359,723
Total assets less current liabilities		**798,483**	572,552
Non-current liabilities			
Finance lease liabilities	19	**6,750**	12,814
Deferred tax liabilities		**13,454**	10,747
		20,204	23,561
Net assets		**778,279**	548,991
EQUITY			
Share capital		**64,118**	62,113
Reserves		**549,898**	433,402
Equity attributable to owners of the Company		**614,016**	495,515
Non-controlling interests		**164,263**	53,476
Total equity		**778,279**	548,991

Consolidated Statement of Changes in Equity
For the year ended 31 December 2011

	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 2010	61,969	84,288	1,597	(771)	(43,897)	2,371	477	-	15,492	236,676	358,202	26,941	385,143
Equity-settled share-based payment expense	-	-	2,490	-	-	-	-	-	-	-	2,490	-	2,490
Exercise of share options	144	666	(140)	-	-	-	-	-	-	-	670	-	670
Share issue expenses	-	(13)	-	-	-	-	-	-	-	-	(13)	-	(13)
Final 2009 dividend paid (Note 9)	-	-	-	-	-	-	-	-	(15,492)	-	(15,492)	-	(15,492)
Interim 2010 dividend paid (Note 9)	-	-	-	-	-	-	-	-	-	(9,308)	(9,308)	-	(9,308)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6,246)	(6,246)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	21,818	21,818
Gain on deemed acquisition of non-controlling interests	-	-	-	-	-	-	-	979	-	-	979	(979)	-
Transactions with owners	144	653	2,350	-	-	-	-	979	(15,492)	(9,308)	(20,674)	14,593	(6,081)
Profit for the year	-	-	-	-	-	-	-	-	-	157,528	157,528	11,973	169,501
Other comprehensive income													
Currency translation	-	-	-	459	-	-	-	-	-	-	459	(31)	428
Total comprehensive income for the year	-	-	-	459	-	-	-	-	-	157,528	157,987	11,942	169,929
Proposed final and special 2010 dividends (Note 9)	-	-	-	-	-	-	-	-	31,057	(31,057)	-	-	-
Appropriation to statutory reserves	-	-	-	-	-	-	1,378	-	-	(1,378)	-	-	-
Balance at 31 December 2010	62,113	84,941	3,947	(312)	(43,897)	2,371	1,855	979	31,057	352,461	495,515	53,476	548,991

Consolidated Statement of Changes in Equity
For the year ended 31 December 2011 (Continued)

	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 2011	62,113	84,941	3,947	(312)	(43,897)	2,371	1,855	979	31,057	352,461	495,515	53,476	548,991
Equity-settled share-based payment expense	-	-	2,554	-	-	-	-	-	-	-	2,554	-	2,554
Exercise of share options	2,005	10,479	(2,194)	-	-	-	-	-	-	-	10,290	-	10,290
Share issue expenses	-	(24)	-	-	-	-	-	-	-	-	(24)	-	(24)
Share options lapsed	-	-	(161)	-	-	-	-	-	-	161	-	-	-
Final and special 2010 dividends paid (Note 9)	-	-	-	-	-	-	-	-	(31,057)	(714)	(31,771)	-	(31,771)
Interim 2011 dividend paid (Note 9)	-	-	-	-	-	-	-	-	-	(19,218)	(19,218)	-	(19,218)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(8,008)	(8,008)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	78,388	78,388
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	780	780
Loss on disposal of interests in a subsidiary	-	-	-	-	-	-	-	(2,018)	-	-	(2,018)	6,018	4,000
Loss on dilution of interests in a subsidiary	-	-	-	-	-	-	-	(15,433)	-	-	(15,433)	15,433	-
Transactions with owners	2,005	10,455	199	-	-	-	-	(17,451)	(31,057)	(19,771)	(55,620)	92,611	36,991
Profit for the year	-	-	-	-	-	-	-	-	-	173,842	173,842	18,098	191,940
Other comprehensive income													
Currency translation	-	-	-	279	-	-	-	-	-	-	279	78	357
Total comprehensive income for the year	-	-	-	279	-	-	-	-	-	173,842	174,121	18,176	192,297
Proposed final and special 2011 dividends (Note 9)	-	-	-	-	-	-	-	-	128,284	(128,284)	-	-	-
Appropriation to statutory reserves	-	-	-	-	-	-	234	-	-	(234)	-	-	-
Balance at 31 December 2011	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

Consolidated Statement of Changes in Equity
For the year ended 31 December 2011 (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 1010 Group Limited 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"), the Company's certain 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 (formerly known as Recruit Holdings 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").

Pursuant to the special resolution by the shareholders passed on 28 November 2011, the Company changed its name from "Recruit Holdings Limited" to "Cinderella Media Group Limited". The Company has adopted a Chinese name "先傳媒集團有限公司" for identification purpose with effect from 28 November 2011.

As at 31 December 2011, 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. Adoption of new or amended HKFRSs

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

HKFRS 3 (Amendment) – Business Combinations

As part of the Improvements to HKFRSs issued in 2010, HKFRS 3 has been amended to clarify that the option to measure non-controlling interests ("NCI") at either fair value or the NCI's proportionate share in the recognised amounts of the acquiree's identifiable net assets is limited to instruments that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation. Other components of NCI are measured at their acquisition date fair value unless another measurement basis is required by HKFRSs. The Group has amended its accounting policies for measuring NCI but the adoption of the amendment has had no impact on the Group's financial statements as the NCI in the business acquisition in 2011 represented such present ownership interests.

2. Adoption of new or amended HKFRSs (Continued)

HKAS 24 (Revised) – Related Party Disclosures

HKAS 24 (Revised) amends the definition of related party and clarifies its meaning. This may result in changes to those parties who are identified as being related parties of the reporting entity. The Group has revised its accounting policy for the identification of its related parties and has reassessed counterparties of transactions in accordance with the revised definition. The reassessment did not result in new related parties being identified. Related parties identified in prior years remain unchanged under the new accounting policy and the Group concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous years.

HKAS 24 (Revised) also introduces simplified disclosure requirements applicable to related party transactions where the Group and the counterparty are under the common control, joint control or significant influence of a government, government agency or similar body. These new disclosures are not relevant to the Group because the Group is not a government related entity.

At the date of this 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.

3. Turnover

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

	2011 HK$'000	2010 HK$'000
Advertising income	**785,390**	617,625
Printing income	**640,102**	534,914
	1,425,492	1,152,539

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	
	2011	2010	2011	2010	2011	2010	2011	2010
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue								
- External sales	785,390	617,625	640,102	534,914	-	-	1,425,492	1,152,539
Reportable segment profit/ (loss)	157,712	122,315	75,659	74,001	(1,453)	223	231,918	196,539
Amortisation of prepaid land lease payments	139	133	-	-	-	-	139	133
Bank interest income	1,338	365	116	89	-	-	1,454	454
Depreciation	1,638	1,024	27,739	24,364	-	-	29,377	25,388
(Loss)/Gain on disposals of property, plant and equipment	-	(6)	(436)	155	-	-	(436)	149
Gain/(Loss) on financial assets/liabilities at fair value through profit or loss	-	-	1,370	(1,220)	(1,530)	211	(160)	(1,009)
Impairment of trade receivables	3,533	3,469	1,267	546	-	-	4,800	4,015
Impairment of goodwill	-	14,119	-	-	-	-	-	14,119
Provision for inventories made	-	-	-	3,000	-	-	-	3,000
Rebates and discounts *	12,796	9,736	19,132	14,621	-	-	31,928	24,357
Reportable segment assets	292,868	218,655	640,990	483,673	6,658	8,074	940,516	710,402
Additions to non-current segment assets during the year	317	3,798	40,967	57,808	-	-	41,284	61,606
Reportable segment liabilities	99,656	65,932	85,530	67,695	20	5	185,206	133,632

* Rebates and discounts had been deducted from revenue – external sales for the year.

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 :

	2011	2010
	HK$'000	HK$'000
Reportable segment revenue	**1,425,492**	1,152,539
Other revenue	**2,416**	479
Group revenue	**1,427,908**	1,153,018
Reportable segment profit	**231,918**	196,539
Unallocated corporate income	**1,270**	101
Equity-settled share-based payment	**(2,554)**	(2,490)
Unallocated corporate expenses	**(13,351)**	(9,973)
Finance costs	**(2,507)**	(1,866)
Profit before income tax	**214,776**	182,311

4. Segment information (Continued)

	2011 HK$'000	2010 HK$'000
Reportable segment assets	**940,516**	710,402
Interests in associate	**-**	-
Other corporate assets	**205,006**	125,662
Group assets	**1,145,522**	836,064
Reportable segment liabilities	**185,206**	133,632
Other corporate liabilities	**34,682**	26,048
Deferred tax liabilities	**13,454**	10,747
Borrowings	**133,901**	116,646
Group liabilities	**367,243**	287,073

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

	Revenue from external customers		Non-current assets	
	2011 HK$'000	2010 HK$'000	2011 HK$'000	2010 HK$'000
Mainland China	**698,707**	553,982	**213,492**	205,250
United States	**233,504**	154,582	**111**	-
Australia	**160,198**	131,927	**48**	81
United Kingdom	**141,295**	125,227	**15**	71
Hong Kong (domicile)	**92,634**	82,704	**31,550**	7,348
Germany	**29,820**	39,273	**-**	-
New Zealand	**18,393**	22,781	**-**	-
Others	**50,941**	42,063	**100**	79
	1,425,492	1,152,539	**245,316**	212,829

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 goodwill).

5. Other revenue and net income

	2011 HK$'000	2010 HK$'000
Gain from sales of scrapped paper and by-products	**23,846**	17,724
Net foreign exchange gain	**8,814**	11,869
Impairment of trade receivables written back	**4,039**	3,038
Gain on disposals of property, plant and equipment	**-**	149
Dividend income from listed equity securities	**117**	25
Interest income	**2,299**	454
Sundry income	**2,442**	1,614
	41,557	34,873

6. Finance costs

	2011 HK$'000	2010 HK$'000
Interest charges on bank borrowings, which contain a repayment on demand clause, wholly repayable within five years	**2,081**	1,282
Interest charges on other bank borrowings, wholly repayable within five years	**4**	-
Finance lease charges	**422**	584
	2,507	1,866

7. Profit before income tax

	2011 HK$'000	2010 HK$'000
Profit before income tax is arrived at after charging:		
Amortisation of prepaid land lease payments	**139**	133
Auditor's remuneration		
- Audit services	**1,394**	885
Cost of inventories recognised as an expense	**338,742**	263,280
including provision for inventories made	**-**	3,000
Depreciation (Note):		
- Owned assets	**27,127**	22,144
- Leased assets	**2,564**	3,244
Employee benefit expense	**81,545**	57,757
Impairment of trade receivables	**4,800**	4,015
Impairment of goodwill	**-**	14,119
Loss on disposal of property, plant and equipment	**436**	-
Minimum lease payments paid under operating leases in respect of:		
- Rented premises and production facilities	**12,855**	12,905
- Internet access line	**314**	370
Loss on financial assets/liabilities at fair value through profit or loss	**160**	1,009

Auditor's remuneration for other services paid during the year is HK$642,000 (2010: HK$40,000).

Note: Depreciation charges of HK$25,524,000 (2010: HK$22,081,000) and HK$4,167,000 (2010: HK$3,307,000) 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% (2010: 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.

	2011 HK$'000	2010 HK$'000
Hong Kong profits tax		
Current year	**9,484**	2,131
Under provision in prior years	**204**	-
	9,688	2,131
Overseas profits tax		
Current year	**10,965**	7,758
Under/(Over) provision in prior years	**110**	(198)
	11,075	7,560
Deferred tax		
Current year	**2,073**	3,119
	22,836	12,810

9. Dividends

(a) Dividends attributable to the year:

	2011 HK$'000	2010 HK$'000
Interim dividend of HK$0.06 (2010: HK$0.03) per share	**19,218**	9,308
Proposed final dividend of HK$0.2 (2010: HK$0.065) per share	**64,142**	20,187
Proposed special dividend of HK$0.2 (2010: HK$0.035) per share	**64,142**	10,870
	147,502	40,365

Final and special dividends proposed after the reporting date has not been recognised as a liability at the reporting date, but reflected as an appropriation of retained earnings for the years ended 31 December 2011 and 2010 and a proposed final and special dividends reserve has been set up.

The proposed final and special dividends 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.

9. Dividends (Continued)

(b) Dividends approved and paid during the year:

	2011 HK$'000	2010 HK$'000
Interim dividend of HK$0.06 (2010 : HK$0.03) per share	**19,218**	9,308
Final dividend of HK$0.065 (2010: HK$0.05) per share in respect of the previous financial year	**20,187**	15,492
Additional final dividend in respect of the previous financial year	**714**	-
Special dividend of HK$0.035 (2010: NIL) per share in respect of the previous financial year	**10,870**	-
	50,989	24,800

10. Earnings per share

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

	2011 HK$'000	2010 HK$'000
Profit attributable to owners of the Company	**173,842**	157,528

	Number of shares 2011 '000	 2010 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**317,603**	310,106
Effect of dilutive potential ordinary shares in respect of share options issued by the Company	**4,068**	2,913
Weight average number of ordinary shares for the purpose of diluted earnings per share	**321,671**	313,019

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 systems HK$'000	Motor vehicles HK$'000	Machinery HK$'000	Total HK$'000
At 1 January 2010								
Cost	2,926	3,359	3,593	36,463	32,347	1,090	168,703	248,481
Accumulated depreciation	(17)	(2,122)	(1,956)	(13,724)	(27,040)	(421)	(32,479)	(77,759)
Net book amount	2,909	1,237	1,637	22,739	5,307	669	136,224	170,722
Year ended 31 December 2010								
Opening net book amount	2,909	1,237	1,637	22,739	5,307	669	136,224	170,722
Exchange differences	101	4	-	9	5	(3)	-	116
Additions	-	1,369	702	5,628	4,056	669	49,182	61,606
Disposals	-	(1)	(5)	(20)	-	(3)	(35)	(64)
Depreciation	(67)	(654)	(601)	(4,434)	(2,596)	(221)	(16,815)	(25,388)
Closing net book amount	2,943	1,955	1,733	23,922	6,772	1,111	168,556	206,992
At 31 December 2010								
Cost	3,029	4,723	4,289	42,005	35,436	1,646	217,831	308,959
Accumulated depreciation	(86)	(2,768)	(2,556)	(18,083)	(28,664)	(535)	(49,275)	(101,967)
Net book amount	2,943	1,955	1,733	23,922	6,772	1,111	168,556	206,992
Year ended 31 December 2011								
Opening net book amount	2,943	1,955	1,733	23,922	6,772	1,111	168,556	206,992
Exchange differences	123	6	1	7	3	7	(3)	144
Additions	5,790	308	737	1,563	584	538	32,416	41,936
Acquisition of subsidiaries	10,800	278	-	138	262	10	-	11,488
Disposals	-	(5)	-	(2)	(4)	-	(1,100)	(1,111)
Depreciation	(171)	(675)	(661)	(4,753)	(3,258)	(325)	(19,848)	(29,691)
Closing net book amount	19,485	1,867	1,810	20,875	4,359	1,341	180,021	229,758
At 31 December 2011								
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

Net book amount of property, plant and equipment includes the net carrying amount of HK$21,520,000 (2010: HK$37,615,000) held under finance leases.

As at 31 December 2011, the Group's leasehold land and buildings were situated in the PRC and Hong Kong and are were held under medium-term leases.

12. Prepaid land lease payments

	2011 HK$'000	2010 HK$'000
At 1 January		
Cost	**6,007**	5,802
Accumulated amortisation	**(170)**	(33)
Net book amount	**5,837**	5,769
Opening net book amount	**5,837**	5,769
Exchange differences	**246**	201
Amortisation	**(139)**	(133)
Closing net book amount	**5,944**	5,837
At 31 December		
Cost	**6,264**	6,007
Accumulated amortisation	**(320)**	(170)
Net book amount	**5,944**	5,837

As at 31 December 2011, the Group's prepaid land lease payments represented up-front payments to acquire an interest in the usage of land situated in the PRC, which was held under a medium-term lease.

13. Inventories

	2011 HK$'000	2010 HK$'000
Raw materials	**46,265**	44,259
Work-in-progress	**20,256**	19,422
Finished goods	**1,335**	206
	67,856	63,887
Less : Provision for net realisable value	**(3,982)**	(3,982)
	63,874	59,905

14. Trade and other receivables and deposits

Ageing analysis of trade receivables, net of provision as at 31 December 2011, based on the invoice date, is as follows:

	2011 HK$'000	2010 HK$'000
0 - 30 days	**81,643**	71,059
31 - 60 days	**65,606**	40,000
61 - 90 days	**33,885**	24,612
91 - 120 days	**50,789**	29,388
121 - 150 days	**39,129**	32,775
Over 150 days	**39,635**	25,009
Total trade receivables	**310,687**	222,843
Other receivables and deposits	**115,155**	117,504
	425,842	340,347

The Group allows a credit period from 7 to 180 days (2010: 7 to 180 days) to its customers.

15. Financial assets at fair value through profit or loss

	2011 HK$'000	2010 HK$'000
Held for trading		
Equity securities, listed in Hong Kong	**1,549**	3,773
Forward foreign exchange contracts	**1,023**	-
Fair value	**2,572**	3,773

16. Trade and other payables

As at 31 December 2011, ageing analysis of trade payables based on invoice date is as follows:

	2011 HK$'000	2010 HK$'000
0 – 30 days	**41,644**	31,951
31 – 60 days	**22,991**	19,353
61 – 90 days	**14,887**	9,697
91 – 120 days	**8,016**	5,389
Over 120 days	**15,748**	13,488
	103,286	79,878
Other payables and accruals	**82,384**	48,886
	185,670	128,764

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 that will be settled on a half yearly (2010 : half yearly) basis according to the terms of an agreement signed with this business partner.

17. Financial liabilities at fair value through profit or loss

This related to the forward foreign exchange contracts which were considered by management to be part of economic hedge arrangements but had not been formally designated as hedges in accordance with HKAS 39. These foreign exchange contracts were stated at fair value.

18. Bank borrowings

	2011 HK$'000	2010 HK$'000
Current portion		
- Bank loans due for repayment within one year	**47,824**	10,000
- Bank loans due for repayment after one year which contain a repayment on demand clause	**86,077**	106,646
Total bank borrowings	**133,901**	116,646

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

	2011 HK$'000	2010 HK$'000
Within one year	**82,684**	42,304
In the second year	**26,936**	32,304
In the third to fifth year	**24,281**	42,038
Wholly repayable within 5 years	**133,901**	116,646

19. Finance lease liabilities

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

	2011 HK$'000	2010 HK$'000
Total minimum lease payments :		
Due within one year	**6,326**	7,434
Due in the second to fifth years	**6,854**	13,190
	13,180	20,624
Future finance charges on finance leases	**(370)**	(807)
Present value of finance lease liabilities	**12,810**	19,817

	2011 HK$'000	2010 HK$'000
Present value of minimum lease payments :		
Due within one year	**6,060**	7,003
Due in the second to fifth years	**6,750**	12,814
	12,810	19,817
Less : Portion due within one year included under current liabilities	**(6,060)**	(7,003)
Non-current portion included under non-current liabilities	**6,750**	12,814

The Group entered into finance leases for various items of machineries. The lease runs for initial periods of three to five 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 by repayment by the Group.

CHAIRMAN'S STATEMENT

Dear shareholders,

One of our priorities in 2011 was to strengthen our core businesses, notably printing and in-flight magazine advertising, for sustainable growth. In order to provide an unfettered platform for both businesses to expand, in July, we successfully spun off our printing arm 1010 Printing Group Limited ("1010 Printing") (stock code: 1127). Subsequently, we changed our name from "Recruit Holdings Limited" to "Cinderella Media Group Limited" in November to better reflect and highlight our focus on magazine advertising. These are essential steps to reposition our group for long term growth.

Our operating results for 2011 were in line with our targets set at the beginning of the year. Our turnover recorded a strong 24% growth over the same period of last year, amounting to approximately HK$1.43 billion. Total comprehensive income for the year grew 17% (excluding one-off listing expenses), amounting to approximately HK$198.6 million. In consideration of the Group's current financial resources, and in appreciation of our shareholders' loyal support, the Board has also decided to raise our normal dividend payout from approximately 19% to approximately 47%.

Advertising Business

As the exclusive in-flight magazine advertising agency for top-tier airlines in Greater China, our leadership in the industry is truly unparalleled. While the global economy may still be weak and fickle, the consumer industry in the People's Republic of China (the "PRC") remains robust. Demand for premium advertising space has grown at a phenomenal pace as both international and domestic luxury brands adopted an aggressive stance in targeting the ever expanding affluent population. We very quickly learned that advertisers' prime concern is the effectiveness and ability to reach the target audience, as opposed to absolute expenditure. This underpins and explains our relatively healthy margin. Our commanding position in this market segment will continue to make us the agent of choice, and this in turn will drive our organic growth.

Our Recruit Magzine website business also performed well. The MTR channel of distribution and the rebound in the local employment market were the keys to the 36% growth in revenue.

Printing Business

Earmarked by the successful spin-off, 2011 was both a memorable and critical milestone for our printing business. To stay ahead of the competition, we consciously relied on two strategies - by producing and concentrating on high-end products to improve the bottom-line and by managing our supply chain to enhance operating efficiency. Industry recovery on a macro scale may be slow but we are convinced that success will come to those who persevere. Backed by our sound financial position and superior internal control, we are doubtlessly on track to emerge as one of the leading players in book printing, as results have solidly proven.

On behalf of the Board of Directors, we sincerely thank our employees and management teams. Their contribution and dedication has made all our accomplishments possible in 2011. To our shareholders, we would like to convey our heartfelt gratitude for your loyalty and confidence in the long term prospects of the Company.

Wan Siu Kau
Chairman
Hong Kong, 22 February 2012

MANAGEMENT DISCUSSION AND ANALYSIS

Advertising Business

Inflight Magazine

As the exclusive advertising agent of in-flight magazines for major airlines in Greater China, namely: China Eastern Airlines, China Southern Airlines, Air China and China Airlines, the Group is well positioned to benefit from the PRC's fast-growing consumer sector. The PRC is doubtlessly a critical market for both international and domestic brands. In-flight magazines, with their captive and affluent readers, comprising traveling businessmen and high income professionals, are an obvious choice for the placement of advertising and brand building. The Group's magazines have access to an average of approximately 170 million readers per annum with our nationwide coverage.

The Group's major advertising customers are mainly from the real estate, automobile, electronics, and watch and jewelry sectors. They lead the fastest growing consumer markets in the PRC. Although property and car manufacturing companies have been confronted with challenges in the past years, most operators have maintained or even increased their advertising spending in order to compete in sluggish times. It is an opportunity for aggressive and capable players to increase market share and consolidate their presence. The Group benefited against this backdrop with an impressive growth of 27% in revenue recorded.

Holding a leading position in the in-flight magazine advertising, the Group maintains a strong and mutually beneficial relationship with our clients. During the year under review, the Group successfully renewed contracts with China Southern Airlines and China Airlines. This is the third consecutive year that we have achieved a 100% contract renewal rate with our airline clients, an indicator of our proven sales record and excellent client bondage. Under the profit sharing arrangements with the airlines upon contract renewal, a reduction in margins was inevitable. However, leveraging on our solid sales network and pricing capability, the Group has been able to achieve impressive revenue surge and steady growth in profits.

The Group signed an agreement in May 2011 with the Shanghai Railway Bureau to become its exclusive advertising agent for the in-train travel magazine "Shanghai Railway" (上海鐵道). The expansion into the high-speed railway segment is expected to provide synergy to the in-flight magazine advertising business. Nevertheless, the Wenzhou high-speed rail accident in July has checked passenger traffic of high-speed rail, which has in turn slowed its progress in competing against air-travel as the most popular mode of long-distance commuting. Consequently, our collaboration with the Shanghai Railway Bureau is being evaluated and reviewed to ensure the project remains commercially sound.

Recruit Magazine

In 2011, the Group remained the recruitment media of choice in the catering / hotel and retail industries in Hong Kong despite heightening threats from the digital media. Thanks to our contract with the Mass Transit Railway ("MTR") for the exclusive distribution of our recruitment magazines at designated stations, we have been able to reach our target readers more effectively. On the other hand, via our online recruitment website www.recruit.com.hk, we successfully broadened our reader portfolio by attracting younger jobseekers. We plan to upgrade our offering to cater to the demands of a broader demographic population by offering user-friendly and value-added services. With our versatile operating platform, we believe this segment will continue to contribute stable incomes for the Group.

Printing Business

On 25 July 2011, 1010 Printing was successfully spun off from the Group and became independently listed on the Main Board of the SEHK. The Group retained approximately 60% interest in 1010 Printing after the spin-off.

For the year ended 31 December 2011, 1010 Printing's turnover (net of rebates and discounts) increased by approximately 23% to approximately HK$640.1 million (2010: HK$522.0 million). Gross profit increased by approximately 19% to approximately HK$121.7 million (2010: HK$102.5 million) while net profit attributable to owners of the Company grew slightly to approximately HK$62.3 million (2010: HK$61.7) million. The relatively flat growth in net income was mainly caused by significant increases in selling, distribution and administrative expenses.

Rising production and labour costs continued to dampen the profit levels of book printers in general. However, thanks to proactive measures deployed internally, 1010 Printing's gross and net profit margins for 2011 were sustained at a stable level of 19% and 10% respectively. This was partly helped by 1010 Printing's sound financial position, which enabled strategic bulk purchasing of raw materials, and partly aided by sound supply chain management resulting in better operating efficiency.

PROSPECTS

The Group remains optimistic on our in-flight magazine advertising business. According to the forecast from the Centre For Aviation, the number of air passengers in China is expected to reach 450 million by 2015. Such an enormous market will definitely serve as a huge magnet for advertising expenditure from consumer brands and sustain the Group's growth for the long run. With our existing partnerships with China Eastern Airlines, China Southern Airlines, Air China and China Airlines, the in-flight magazine division will certainly stay as the Group's key revenue generator.

The book export market will continue to face challenges in the coming year. The Group, however, strongly believes that our balance sheet will hold us in good stead amongst industry competitors.

The Group enters a turbulent 2012 with a sound financial position. We will strive for a sensible balance between strict cash flow management and long-term value creation;. We also will not limit ourselves to our comfort zone. The Group will continue to cautiously assess opportunities to expand our revenue base within our areas of expertise in to maximize the long-term value for our shareholders.

FINANCIAL REVIEW

Turnover for the year ended 31 December 2011 was approximately HK$1.43 billion and represented an increase of 24% from the previous corresponding year (2010: HK$1.15 billion); whereas the advertising business and printing business accounted for 55% and 45% of the Group's revenue, representing a 27% and 20% growth respectively. The increase in revenue was mainly attributable to the PRC's vibrant advertising market buoyed by the increased consumer spending.

Other income increased by 19% to approximately HK$41.6 million in 2011 (2010: HK$34.9 million) mainly due to the increase in impairment of trade receivables written back; interest income and scrap material sales. The decrease in net foreign exchange gain was partially offset by the increase in gain on forward contract revaluation. The administrative expenses increased by 29% as a result of the continuing expansion of the Group's business and the separate listing of 1010 Printing Group Limited.

For the purpose of listing the Group's subsidiary 1010 Printing on the Main Board of the SEHK, one-off listed expenses of approximately HK$6.3 million was recorded in the other expenses this year, which represented professional fees and other related expenses arising from this process. Impairment of goodwill of approximately HK$14.1 million was provided in 2010.

The Group's total comprehensive income attributable to owners of the Company recorded a 10% growth, amounting to approximately HK$174.1 million (2010: HK$158.0 million).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2011, the Group had net current assets of approximately HK$553.2 million (2010: HK$359.7 million). The Group's current ratio as at 31 December 2011, which is defined as current assets over current liabilities, was 2.6 (2010: 2.4). The financial position of the Group was healthy with total cash and bank deposits approximately HK$407.3 million (2010: HK$218.2 million).

The Group's gearing ratio as at 31 December 2011 was 18.9 % (2010: 24.9%), 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$146.7 million (2010: HK$136.5 million). Approximately HK$24.4 million bank borrowing is denominated in Renminbi, at a fixed rate and repayable within one year. The rest of the borrowing and finance leases are denominated in Hong Kong dollars, at floating rates and repayable within five years. The net book amount of property, plant and equipment includes net carrying amount of approximately HK$21.5 million (2010: HK$37.6 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 2011, the Group had around 1,094 employees (2010: 135). 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 AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of HK$0.200 (2010: HK$0.065) per share (the "Final Dividend") and a special dividend of HK$0.200 (2010: HK$0.035) per share (the "Special Dividend") for the year ended 31 December 2011 to holders of ordinary shares whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 23 April 2012. The register of shareholders will be closed from 20 April 2012 to 23 April 2012, both days inclusive, during which period no transfer of shares will be registered. To qualify for the Final Dividend and Special Dividend, 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 19 April 2012. The relevant dividend warrants will be dispatched to shareholders on or around 2 May 2012.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2011, 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 code on corporate governance practices (the "Code") as set out in Appendix 14 of the Listing Rules for the year subject to the deviations disclosed hereof.

Under the code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lau Chuk Kin assumed the role of both the chairman and the chief executive officer of the Company before he resigned from these two roles on 22 August 2011. Following the spin off and separate listing of 1010 Printing on 25 July 2011, Mr. Lau resigned as chairman and chief executive officer in order to allocate an appropriate amount of his time to the running of 1010 Printing. Mr. Wan Siu Kau was appointed as non-executive chairman on 22 August 2011.

The role of chairman and chief executive officer of the Group rested on the same individual which deviates from the code provision in the Code of not having a clear division of responsibilities. The Board is of the view that this have not compromised accountability and independent decision making for the following reasons:

- the non-executive directors form the majority of the Board of which three out of six are independent; and
- Audit Committee composed exclusively of independent non-executive directors;
- The independent directors have free and direct access to the Company's external auditors and independent professional advice when considered necessary.

Under the code provision of E.1.3, a notice of annual general meeting should be sent to shareholders at least 20 business days before the meeting. The Company sent notice of its annual general meeting held on 1 April 2011 to its shareholders on 10 March 2011, which was less than 20 clear business days before the meeting. The Company will make its best endeavor to comply with the notice period in the future.

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 2011.

On behalf of the Board
Lau Chuk Kin
Executive Director

Hong Kong, 22 February 2012

As at the date of this announcement, the Board comprises Lau Chuk Kin, Lam Mei Lan and Chow So Chu 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 2011 of the Company will also be published on the aforesaid websites in due course.

** For identification purpose only*