



**Media Chinese International Limited**  
**Annual General Meeting**  
**FY2019/2020**

**26<sup>th</sup> August 2020**

**Stock Code: (Malaysia) 5090 ; (Hong Kong) 685**

# Agenda

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- 1) Recap of FY 2019/2020**
  - 2) Financial Highlights**
  - 3) Strategic Focus**
  - 4) COVID-19 Response**
  - 5) Outlook for FY 2020/2021**
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## Recap of FY 2019/2020

- **Global Economic Uncertainty**
  - COVID-19 pandemic, US-China Trade War, Oil prices volatility
- **Market Disruption**
  - Online becoming the primary source for news
  - Traditional print revenue continue to decline
  - Advertising ecosystem is dominated by Facebook and Google
  - Tour business was badly hit in late Q4 FY 2019/20 in light of global travel warnings
- **Political uncertainty in Hong Kong & Malaysia**

# FY 2019/20 Financial Highlights

(US\$' 000)	2020	2019
Turnover	<b>239,217</b>	285,560
Profit/(Loss) before income tax	<b>9,283</b>	(6,537)
Profit/(Loss) attributable to owners of the Company	<b>7,055</b>	(11,293)
EBITDA	<b>16,586</b>	4,595
Cash and cash equivalents and short-term bank deposits	<b>73,882</b>	75,155
Net gearing ratio	<b>Nil</b>	<b>Nil</b>
Net assets per share (US cents)	<b>9.61</b>	<b>9.94</b>
Earnings/(Loss) per share (US cents)	<b>0.42</b>	(0.67)
Dividend per share (US cents)	<b>0.26</b>	0.28
Dividend pay-out ratio (as a % of adjusted PATAMI)	<b>61%</b>	70%
Dividend Yield as at 31 March	<b>6.6%</b>	5.2%

### Our Strategic Priorities:-

- **Managing print media decline**
- **Growing digital audience and revenue**
- **Managing costs**

## Strategic in Action - Managing Print Media Decline

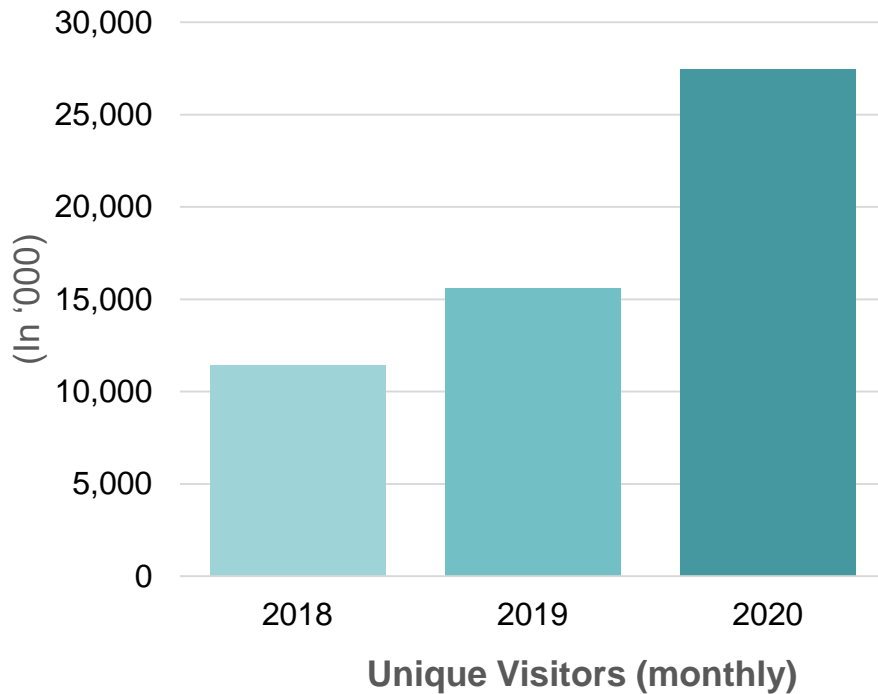
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- Protect our print brands by delivering quality contents
- High quality contents results in loyal readership
- Streamlining editorial workflow to raise efficiency
- Share content where possible between publications to improve our offer and reduce costs

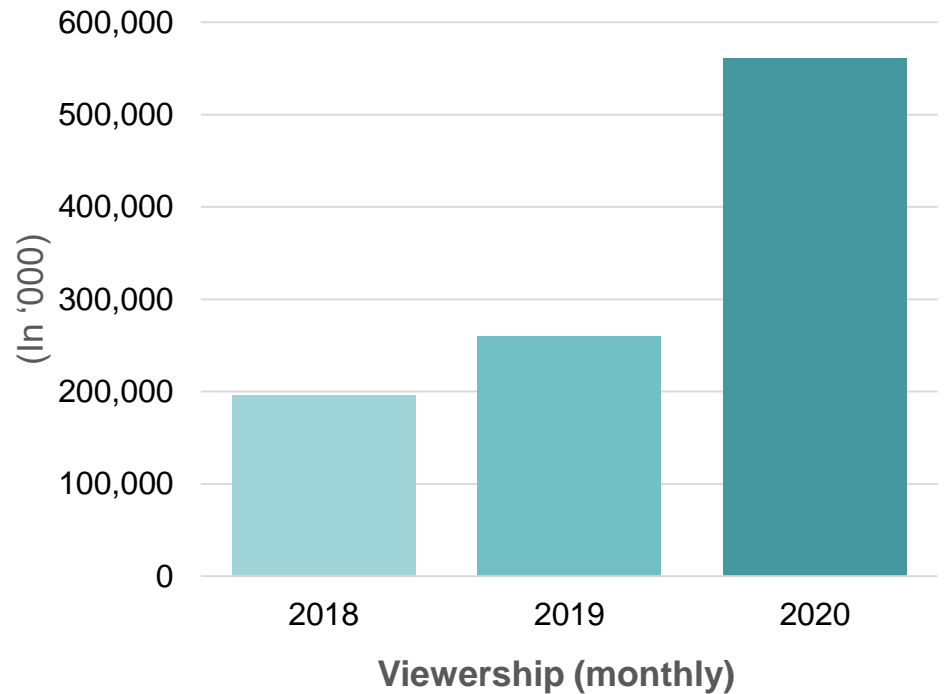
# Strategic in Action - Growing Digital Audience and Revenue

## Grow Digital Reach Malaysian Operations

As at 31<sup>st</sup> March



As at 31<sup>st</sup> March



# Strategic in Action - Growing Digital Audience and Revenue

## Grow Digital Reach Hong Kong Operations

Unique Visitors	Mar 2019	Mar 2020	Vs 2019
Ming Pao News Channels	1,850,000	2,809,000	+52%

Source : comScore

Unique Visitors	Jan-Mar 2019	Jan-Mar 2020	Vs 2019
news.mingpao.com	6.8M	10.7M	+57%
News App	0.15M	0.24M	+57%
ol.mingpao.com	2.7M	4.8M	+77%
mpfinance.com	1.2M	2.4M	+95%
health.mingpao.com	0.73M	1.6M	+123%

Source : Google Analytics, Worldwide



# Strategic in Action - Growing Digital Audience and Revenue

Strengthening relationships with readers and optimising response for advertisers through increased customers engagement

- improved customer experience
- drive engagement via personalisation
- drive registrations



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成为星洲人 享会员专利

- 独家精彩内容
- 专属聊天区
- 互动投稿专区
- 独家活动
- 常年百万抽奖游戏
- 超值现金奖券
- 多家商户伙伴优惠
- 与编采高层及特约作者交流机会

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# Strategic in Action - Growing Digital Audience and Revenue

Integrated all platform marketing

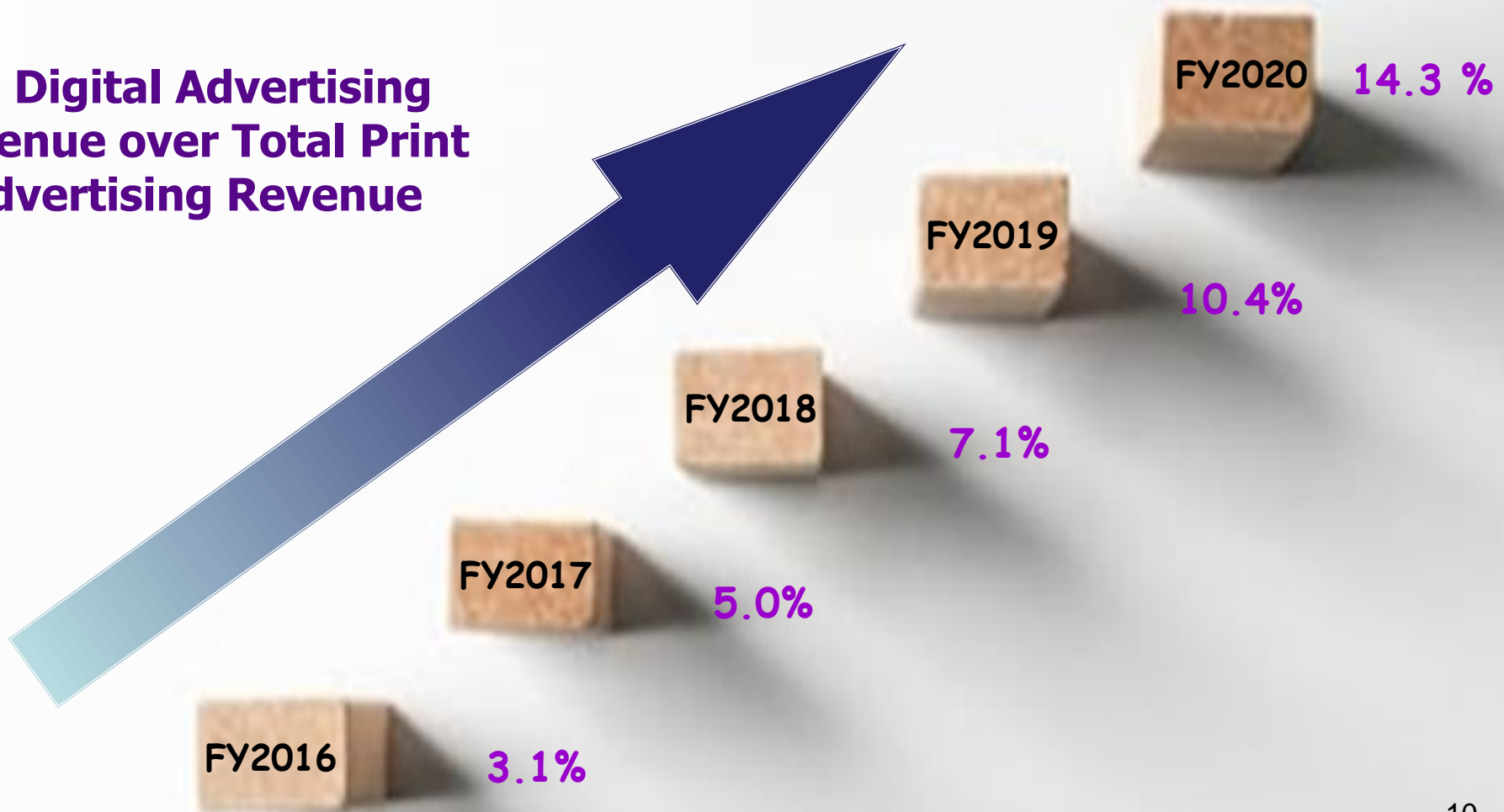
- Selling digital audiences instead of platforms
- Driving results for advertisers through activities and events
- Increasing brand value through content marketing



# Strategic in Action - Growing Digital Audience and Revenue

## MCIL Group Digital Advertising Performance

**% Digital Advertising  
Revenue over Total Print  
Advertising Revenue**



## Strategic in Action – Managing Costs

- **Cost well managed**
- **Continue to review business process to trim costs further**



## Our top priority :

- To protect the safety of our employees and their families, while also continuing to deliver vital news and information to our readers and advertisers
- Supporting our communities :-
  - Through Yayasan Sin Chew and Yayasan Nanyang Press, we had raised approximately RM7.4 million as at 30 April 2020 to purchase masks, PPE, ventilators, medical supplies and equipment for hospitals throughout Malaysia.
  - Yayasan Nanyang Press has raised RM12.2 million as at 30.6.2020 to purchase COVID-19 testing kits for hospitals.
  - Yayasan Sin Chew and Yayasan Nanyang Press have worked with various organisations and charity bodies to distribute disposable masks to hospitals, schools, readers and those who need to undergo regular medical treatments.

# COVID-19 Our Response

Business Segment	COVID-19 Impact	Mitigation Actions
<b>Publishing</b>	<ul style="list-style-type: none"> <li>• Demand for advertising significantly down</li> <li>• Events postponed</li> <li>• Circulation sales affected negatively but less than advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Streamlining of businesses for increased cost efficiency</li> <li>• Promote e-paper</li> </ul>
<b>Digital</b>	<ul style="list-style-type: none"> <li>• Significant growth in audiences of the Group's news portals and apps</li> <li>• Demand for advertising down</li> </ul>	<ul style="list-style-type: none"> <li>• Higher potential for digital conversion and subscription</li> </ul>
<b>Tour</b>	<ul style="list-style-type: none"> <li>• Booked holidays during suspension period needed to be cancelled, as such operating results in 2020 are in dismay</li> </ul>	<ul style="list-style-type: none"> <li>• Reductions in staff force and furloughs, significant pay reductions for our tour operations</li> <li>• Eagerly awaiting approved vaccine to give travellers' confidence</li> <li>• Adopting prudent financial management practises               <ul style="list-style-type: none"> <li>– Conserve cash</li> <li>– Cancellation of non-essential travel and spending</li> </ul> </li> </ul>



## Outlook for FY 2020/21

With the world brought down to its knees by the Covid-19 pandemic and many countries imposing lockdown or movement control restrictions, the global economy is facing and will continue to experience contraction until the pandemic comes under control and the confinement measures gradually uplifted. Despite the Covid-19 stimulus packages introduced by governments in many countries including Malaysia and Hong Kong, consumer demands remains weak whilst businesses globally struggle to stay afloat. With this backdrop, the Group expects the coming financial year to be extremely challenging.

With most parts of the world experiencing lockdown in various degrees to curb the spread of Covid-19, digital platforms have become the tool for many to work from home, to communicate with each other or for governments to dispense information to their citizens. The Group hopes to adapt this “new normal” to grow its market share and revenue from the digital platforms. For the travel segment, the Group expects the year ahead to be challenging as travel will be greatly reduced due to the pandemic until a cure or a vaccine is found. Efforts have been taken to streamline the tour operations and ensure that the operations will have the resources necessary to get through the pandemic and restart operations once international travel resumes.

Meanwhile, the Group will continue to exercise prudent cost controls across all business units and intensify its efforts to strengthen operational efficiency and effectiveness. Furthermore, the Group will work continuously adapting its operations in all regions to meet the crippling effects brought about by this pandemic.

## Appreciation

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Our heartfelt gratitude to all “healthcare heroes” and frontliners around the world who have dedicated themselves to help fight the invisible enemy, Covid-19.

These “healthcare heroes” have shown tireless commitment and have put their lives on the line in the ongoing fight against Covid-19.

We salute their commitment and courage. We urge the public to stand together and support them in their fight in order to win the battle against this invisible enemy.





**THANK YOU**

## Forward Looking Statements

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This presentation includes certain forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Media Chinese International Ltd expects or anticipates will or may occur in the future are forward looking statements. Media Chinese International Ltd.'s actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, project delay, project approval, cost estimates and other risks and factors beyond the control of Media Chinese International Ltd. In addition, Media Chinese International Ltd makes the forward looking statements referred to in this presentation as of today and undertakes no obligation to update these statements.