MEDIA CHINESE INTERNATIONAL LIMITED

世界華文媒體有限公司

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

ANNOUNCEMENT

FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2018

Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), Media Chinese International Limited (the "Company"), a public company listed on the main market of Bursa Securities, announced the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the quarter ended 31 March 2018 to Bursa Securities on 30 May 2018.

This announcement is also made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules") and the Inside Information Provisions (as defined under the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

30 May 2018

As at the date of this announcement, the Board comprises Ms TIONG Choon, Mr TIONG Kiew Chiong and Mr LEONG Chew Meng, being executive directors; Dato' Sri Dr TIONG Ik King and Tan Sri Datuk Sir TIONG Hiew King, being non-executive directors; and Mr YU Hon To, David, Datuk CHONG Kee Yuon and Mr KHOO Kar Khoon, being independent non-executive directors.

MEDIA CHINESE INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)
Financial report for the fourth quarter ended 31 March 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	(Unaudited) Three months ended 31 March		(Unaudited) Three months ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**RM'000** *(Note)*	RM'000 *(Note)*
Turnover	**63,541**	62,394	**245,459**	241,028
Cost of goods sold	**(39,358)**	(38,056)	**(152,040)**	(147,010)
Gross profit	**24,183**	24,338	**93,419**	94,018
Other income	**2,107**	2,078	**8,139**	8,027
Other gains, net	**2,897**	688	**11,191**	2,658
Selling and distribution expenses	**(13,267)**	(13,451)	**(51,250)**	(51,961)
Administrative expenses	**(7,241)**	(7,832)	**(27,972)**	(30,255)
Other operating expenses	**(7,315)**	(1,303)	**(28,258)**	(5,033)
Operating profit before provision for impairment of goodwill	**1,364**	4,518	**5,269**	17,454
Provision for impairment of goodwill	**(20,709)**	(3,603)	**(80,000)**	(13,918)
Operating (loss)/profit	**(19,345)**	915	**(74,731)**	3,536
Finance costs	**(766)**	(954)	**(2,959)**	(3,685)
Share of post-tax results of joint ventures and associates	**(46)**	3	**(177)**	12
Loss before income tax	**(20,157)**	(36)	**(77,867)**	(137)
Income tax credit/(expense)	**52**	(840)	**201**	(3,245)
Loss for the quarter	**(20,105)**	(876)	**(77,666)**	(3,382)
(Loss)/profit attributable to:				
Owners of the Company	**(19,959)**	828	**(77,102)**	3,200
Non-controlling interests	**(146)**	(1,704)	**(564)**	(6,582)
	(20,105)	(876)	**(77,666)**	(3,382)
(Loss)/earnings per share attributable to owners of the Company				
Basic (US cents/sen) #	**(1.18)**	0.05	**(4.56)**	0.19
Diluted (US cents/sen) #	**(1.18)**	0.05	**(4.56)**	0.19

\# *Refer to B11 for calculations of basic and diluted (loss)/earnings per share*

Note: The presentation currency of this unaudited financial information is United States Dollar ("US$"). Supplementary information in Malaysian Ringgit ("RM") for the quarter ended 31 March 2018 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM3.8630 ruling at 31 March 2018. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

MEDIA CHINESE INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)
Financial report for the fourth quarter ended 31 March 2018

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Three months ended 31 March		(Unaudited) Three months ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**RM'000** *(Note)*	RM'000 *(Note)*
Loss for the quarter	**(20,105)**	(876)	**(77,666)**	(3,384)
Other comprehensive income/(loss)				
Item that may be reclassified subsequently to profit or loss:				
Currency translation differences	**7,779**	2,023	**30,050**	7,815
Fair value change on available-for-sale financial assets	**5,883**	-	**22,726**	-
Item that will not be reclassified subsequently to profit or loss:				
Remeasurements of post-employment benefit obligations	**(304)**	(23)	**(1,174)**	(89)
Other comprehensive income for the quarter, net of tax	**13,358**	2,000	**51,602**	7,726
Total comprehensive (loss)/income for the quarter	**(6,747)**	1,124	**(26,064)**	4,342
Total comprehensive (loss)/ income for the quarter attributable to:				
Owners of the Company	**(8,197)**	2,824	**(31,665)**	10,909
Non-controlling interests	**1,450**	(1,700)	**5,601**	(6,567)
	(6,747)	1,124	**(26,064)**	4,342

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MEDIA CHINESE INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)
Financial report for the fourth quarter ended 31 March 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Year ended 31 March		(Unaudited) Year ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**RM'000** *(Note)*	RM'000 *(Note)*
Turnover	**284,963**	302,586	**1,100,812**	1,168,890
Cost of goods sold	**(185,638)**	(189,764)	**(717,120)**	(733,058)
Gross profit	**99,325**	112,822	**383,692**	435,832
Other income	**7,850**	8,704	**30,325**	33,624
Other gains/(losses), net	**2,912**	(336)	**11,249**	(1,298)
Selling and distribution expenses	**(52,264)**	(56,034)	**(201,896)**	(216,459)
Administrative expenses	**(30,363)**	(30,939)	**(117,292)**	(119,517)
Other operating expenses	**(10,911)**	(5,462)	**(42,149)**	(21,100)
Operating profit before provision for impairment of goodwill	**16,549**	28,755	**63,929**	111,082
Provision for impairment of goodwill	**(20,709)**	(3,603)	**(80,000)**	(13,918)
Operating (loss)/profit	**(4,160)**	25,152	**(16,071)**	97,164
Finance costs	**(2,793)**	(4,812)	**(10,789)**	(18,589)
Share of post-tax results of joint ventures and associates	**79**	435	**306**	1,680
(Loss)/profit before income tax	**(6,874)**	20,775	**(26,554)**	80,255
Income tax expense	**(5,331)**	(7,584)	**(20,594)**	(29,297)
(Loss)/profit for the year	**(12,205)**	13,191	**(47,148)**	50,958
(Loss)/profit attributable to:				
Owners of the Company	**(11,485)**	15,156	**(44,368)**	58,549
Non-controlling interests	**(720)**	(1,965)	**(2,780)**	(7,591)
	(12,205)	13,191	**(47,148)**	50,958
(Loss)/earnings per share attributable to owners of the Company				
Basic (US cents/sen) #	**(0.68)**	0.90	**(2.63)**	3.48
Diluted (US cents/sen) #	**(0.68)**	0.90	**(2.63)**	3.48

\# *Refer to B11 for calculations of basic and diluted (loss)/earnings per share*

Note: The presentation currency of this unaudited financial information is US$. Supplementary information in RM for the year ended 31 March 2018 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM3.8630 ruling at 31 March 2018. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March		(Unaudited) Year ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**RM'000**	RM'000
			(Note)	*(Note)*
(Loss)/profit for the year	**(12,205)**	13,191	**(47,148)**	50,958
Other comprehensive income/(loss)				
Item that may be reclassified subsequently to profit or loss:				
Currency translation differences	**21,645**	(18,338)	**83,614**	(70,840)
Fair value change on available-for-sale financial assets	**5,883**	-	**22,726**	-
Item that will not be reclassified subsequently to profit or loss:				
Remeasurements of post-employment benefit obligations	**(304)**	(23)	**(1,174)**	(89)
Other comprehensive income/(loss) for the year, net of tax	**27,224**	(18,361)	**105,166**	(70,929)
Total comprehensive income/(loss) for the year	**15,019**	(5,170)	**58,018**	(19,971)
Total comprehensive income/(loss) for the year attributable to:				
Owners of the Company	**14,108**	(3,133)	**54,498**	(12,102)
Non-controlling interests	**911**	(2,037)	**3,520**	(7,869)
	15,019	(5,170)	**58,018**	(19,971)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 March 2018 US$'000	As at 31 March 2017 US$'000	**(Unaudited) As at 31 March 2018 RM'000 *(Note)***	(Unaudited) As at 31 March 2017 RM'000 *(Note)*
ASSETS				
Non-current assets				
Property, plant and equipment	**94,253**	96,266	**364,099**	371,876
Investment properties	**16,437**	14,587	**63,496**	56,350
Intangible assets	**26,863**	43,231	**103,772**	167,001
Deferred income tax assets	**243**	226	**939**	873
Investments accounted for using the equity method	**143**	731	**552**	2,824
Available-for-sale financial assets	**8,979**	-	**34,686**	-
Other non-current financial assets	**129**	-	**498**	-
	147,047	155,041	**568,042**	598,924
Current assets				
Inventories	**17,648**	19,918	**68,174**	76,943
Available-for-sale financial assets	**96**	97	**371**	375
Financial assets at fair value through profit or loss	**361**	346	**1,395**	1,337
Trade and other receivables	**44,820**	41,239	**173,140**	159,306
Income tax recoverable	**1,550**	2,133	**5,988**	8,240
Short-term bank deposits	**18,312**	10,086	**70,739**	38,962
Cash and cash equivalents	**101,923**	79,946	**393,729**	308,831
	184,710	153,765	**713,536**	593,994
Current liabilities				
Trade and other payables	**51,753**	46,634	**199,922**	180,147
Income tax liabilities	**773**	1,644	**2,986**	6,351
Bank and other borrowings	**68,447**	2,506	**264,411**	9,681
Current portion of other non-current liabilities	**78**	26	**301**	100
	121,051	50,810	**467,620**	196,279
Net current assets	**63,659**	102,955	**245,916**	397,715
Total assets less current liabilities	**210,706**	257,996	**813,958**	996,639
EQUITY				
Equity attributable to owners of the Company				
Share capital	**21,715**	21,715	**83,885**	83,885
Share premium	**54,664**	54,664	**211,167**	211,167
Other reserves	**(100,380)**	(126,266)	**(387,768)**	(487,766)
Retained earnings	**221,670**	243,581	**856,309**	940,953
	197,669	193,694	**763,593**	748,239
Non-controlling interests	**4,099**	3,621	**15,836**	13,988
Total equity	**201,768**	197,315	**779,429**	762,227
Non-current liabilities				
Bank and other borrowings	**-**	50,870	**-**	196,512
Deferred income tax liabilities	**7,405**	8,622	**28,607**	33,307
Other non-current liabilities	**1,533**	1,189	**5,922**	4,593
	8,938	60,681	**34,529**	234,412
	210,706	257,996	**813,958**	996,639
Net assets per share attributable to owners of the Company (US cents / sen)	**11.72**	11.48	**45.27**	44.35

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital US$'000	Share premium US$'000	Other reserves US$'000	Retained earnings US$'000	Sub-total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 April 2016	21,715	54,664	(107,715)	244,360	213,024	5,703	218,727
Profit/(loss) for the year	-	-	-	15,156	15,156	(1,965)	13,191
Other comprehensive (loss)/income							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	-	-	(18,551)	287	(18,264)	(74)	(18,338)
Item that will not be reclassified subsequently to profit or loss:							
Remeasurements of post-employment benefit obligations	-	-	-	(25)	(25)	2	(23)
Other comprehensive (loss)/income, net of tax	-	-	(18,551)	262	(18,289)	(72)	(18,361)
Total comprehensive (loss)/income for the year ended 31 March 2017	-	-	(18,551)	15,418	(3,133)	(2,037)	(5,170)
Total transactions with owners, recognised directly in equity							
2015/2016 second interim dividend paid	-	-	-	(10,123)	(10,123)	-	(10,123)
2016/2017 first interim dividend paid	-	-	-	(6,074)	(6,074)	-	(6,074)
2015/2016 interim dividend paid by an unlisted subsidiary	-	-	-	-	-	(5)	(5)
2016/2017 interim dividends paid by an unlisted subsidiary	-	-	-	-	-	(40)	(40)
	-	-	-	(16,197)	(16,197)	(45)	(16,242)
At 31 March 2017	21,715	54,664	(126,266)	243,581	193,694	3,621	197,315

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Attributable to owners of the Company						
	Share capital	Share premium	Other reserves	Retained earnings	Sub-total	Non-controlling interests	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 April 2017	21,715	54,664	(126,266)	243,581	193,694	3,621	197,315
Loss for the year	-	-	-	(11,485)	(11,485)	(720)	(12,205)
Other comprehensive income/(loss)							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences	-	-	21,591	-	21,591	54	21,645
Fair value change on available-for-sale financial assets	-	-	4,295	-	4,295	1,588	5,883
Item that will not be reclassified subsequently to profit or loss:							
Remeasurements of post-employment benefit obligations	-	-	-	(293)	(293)	(11)	(304)
Other comprehensive income/(loss), net of tax	-	-	25,886	(293)	25,593	1,631	27,224
Total comprehensive income/(loss) for the year ended 31 March 2018	-	-	25,886	(11,778)	14,108	911	15,019
Total transactions with owners, recognised directly in equity							
2016/2017 second interim dividend paid	-	-	-	(6,074)	(6,074)	-	(6,074)
2017/2018 first interim dividend paid	-	-	-	(4,218)	(4,218)	-	(4,218)
2016/2017 interim dividend paid by an unlisted subsidiary	-	-	-	-	-	(4)	(4)
2017/2018 interim dividends paid by an unlisted subsidiary	-	-	-	-	-	-*	-*
Change in ownership interest in a subsidiary without change of control	-	-	-	159	159	(429)	(270)
	-	-	-	(10,133)	(10,133)	(433)	(10,566)
At 31 March 2018	21,715	54,664	(100,380)	221,670	197,669	4,099	201,768

**negligible*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	(Unaudited)						
	Attributable to owners of the Company						
	Share capital RM'000 *(Note)*	Share premium RM'000 *(Note)*	Other reserves RM'000 *(Note)*	Retained earnings RM'000 *(Note)*	Sub-total RM'000 *(Note)*	Non-controlling interests RM'000 *(Note)*	Total equity RM'000 *(Note)*
At 1 April 2016	83,885	211,167	(416,103)	943,961	822,910	22,031	844,941
Profit/(loss) for the year	-	-	-	58,549	58,549	(7,591)	50,958
Other comprehensive (loss)/income							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	-	-	(71,663)	1,109	(70,554)	(286)	(70,840)
Item that will not be reclassified subsequently to profit or loss:							
Remeasurements of post-employment benefit obligations	-	-	-	(97)	(97)	8	(89)
Other comprehensive (loss)/income, net of tax	-	-	(71,663)	1,012	(70,651)	(278)	(70,929)
Total comprehensive (loss)/income for the year ended 31 March 2017	-	-	(71,663)	59,561	(12,102)	(7,869)	(19,971)
Total transactions with owners, recognised directly in equity							
2015/2016 second interim dividend paid	-	-	-	(39,105)	(39,105)	-	(39,105)
2016/2017 first interim dividend paid	-	-	-	(23,464)	(23,464)	-	(23,464)
2015/2016 interim dividend paid by an unlisted subsidiary	-	-	-	-	-	(19)	(19)
2016/2017 interim dividends paid by an unlisted subsidiary	-	-	-	-	-	(155)	(155)
	-	-	-	(62,569)	(62,569)	(174)	(62,743)
At 31 March 2017	83,885	211,167	(487,766)	940,953	748,239	13,988	762,227

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	(Unaudited)						
	Attributable to owners of the Company						
	Share capital	Share premium	Other reserves	Retained earnings	Sub-total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	(Note)	*(Note)*	*(Note)*	*(Note)*	*(Note)*	*(Note)*	*(Note)*
At 1 April 2017	83,885	211,167	(487,766)	940,953	748,239	13,988	762,227
Loss for the year	-	-	-	(44,368)	(44,368)	(2,780)	(47,148)
Other comprehensive income/(loss)							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences	-	-	83,406	-	83,406	208	83,614
Fair value change on available-for-sale financial assets	-	-	16,592	-	16,592	6,134	22,726
Item that will not be reclassified subsequently to profit or loss:							
Remeasurements of post-employment benefit obligations	-	-	-	(1,132)	(1,132)	(42)	(1,174)
Other comprehensive income/(loss), net of tax	-	-	99,998	(1,132)	98,866	6,300	105,166
Total comprehensive income/(loss) for the year ended 31 March 2018	-	-	99,998	(45,500)	54,498	3,520	58,018
Total transactions with owners, recognised directly in equity							
2016/2017 second interim dividend paid	-	-	-	(23,464)	(23,464)	-	(23,464)
2017/2018 first interim dividend paid	-	-	-	(16,294)	(16,294)	-	(16,294)
2016/2017 interim dividend paid by an unlisted subsidiary	-	-	-	-	-	(15)	(15)
2017/2018 interim dividends paid by an unlisted subsidiary	-	-	-	-	-	-*	-*
Change in ownership interest in a subsidiary without change of control	-	-	-	614	614	(1,657)	(1,043)
	-	-	-	(39,144)	(39,144)	(1,672)	(40,816)
At 31 March 2018	83,885	211,167	(387,768)	856,309	763,593	15,836	779,429

**negligible*

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 March		(Unaudited) Year ended 31 March	
	2018	2017	2018	2017
	US$'000	US$'000	RM'000 *(Note)*	RM'000 *(Note)*
Cash flows from operating activities				
Cash generated from operations	**32,448**	40,160	**125,347**	155,138
Interest paid	**(2,840)**	(5,042)	**(10,971)**	(19,477)
Income tax paid	**(7,617)**	(10,758)	**(29,424)**	(41,558)
Net cash generated from operating activities	**21,991**	24,360	**84,952**	94,103
Cash flows from investing activities				
Dividends received	**298**	466	**1,151**	1,800
Increase in short-term bank deposits with original maturity over three months	**(8,226)**	(10,086)	**(31,777)**	(38,962)
Interest received	**2,443**	3,189	**9,437**	12,319
Proceeds from disposal of property, plant and equipment	**35**	36	**135**	139
Purchases of intangible assets	**(150)**	(536)	**(579)**	(2,071)
Purchases of other non-current financial assets	**(115)**	-	**(444)**	-
Purchases of property, plant and equipment	**(743)**	(1,334)	**(2,870)**	(5,153)
Net cash used in investing activities	**(6,458)**	(8,265)	**(24,947)**	(31,928)
Cash flows from financing activities				
Dividends paid	**(10,292)**	(16,197)	**(39,758)**	(62,569)
Dividends paid to non-controlling interests by an unlisted subsidiary	**(4)**	(45)	**(15)**	(174)
Proceeds from bank and other borrowings	**19,489**	5,688	**75,286**	21,973
Repayments of bank and other borrowings	**(12,294)**	(54,575)	**(47,492)**	(210,823)
Transaction with non-controlling interests	**(270)**	-	**(1,043)**	-
Net cash used in financing activities	**(3,371)**	(65,129)	**(13,022)**	(251,593)
Net increase/(decrease) in cash and cash equivalents	**12,162**	(49,034)	**46,983**	(189,418)
Cash and cash equivalents at beginning of year	**79,946**	140,950	**308,831**	544,490
Exchange adjustments on cash and cash equivalents	**9,815**	(11,970)	**37,915**	(46,241)
Cash and cash equivalents at end of year	**101,923**	79,946	**393,729**	308,831

Note: The presentation currency of this unaudited financial information is US$. Supplementary information in RM for the year ended 31 March 2018 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM3.8630 ruling at 31 March 2018. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

A. NOTES TO THE FINANCIAL INFORMATION

A1. Basis of preparation and changes in accounting policies

a) Basis of preparation

This condensed consolidated financial information of the Company and its subsidiaries (collectively the "Group") for the quarter and year ended 31 March 2018 (this "financial information") has been prepared in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board("IASB"), Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Listing Requirements").

This financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2017 which were prepared in accordance with International Financial Reporting Standards ("IFRSs").

This financial information has not been audited.

b) Accounting policies

(i) **New and amended standards and interpretations to existing standards adopted by the Group**

The following amendments to standards, which became effective for the first time for the financial year beginning on or after 1 April 2017, have been adopted by the Group:

(a) Amendments to IAS 7, "Disclosure initiative";
(b) Amendments to IAS 12, "Recognition of deferred tax assets for unrealised losses";
(c) Amendments to IAS 12, "Income taxes"; and
(d) Annual improvement, "Annual improvements to IFRSs 2014–2016 cycle".

The adoption of these amendments did not have any material impact on the current period or any prior period and is not likely to affect future periods.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A1. <u>Basis of preparation and changes in accounting policies (Continued)</u>

(ii) New accounting standards and amendments to standards that are not yet effective and have not been early adopted by the Group

The following new and amendments to standards and interpretations have been issued but not yet effective and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Annual improvement	Annual improvements to IFRSs 2014–2016 cycle (amendments)	1 January 2018
Amendments to IAS 28	Investment in associates and joint ventures	1 January 2018
Amendments to IAS 40	Transfers of investment property	1 January 2018
Amendments to IFRS 1	Deletion of short-term exemptions for first-time adopters	1 January 2018
Amendments to IFRS 2	Classification and measurement of share-based payment transactions	1 January 2018
Amendments to IFRS 4	Applying IFRS 9 financial instruments with IFRS 4 Insurance contracts	1 January 2018
Amendments to IFRS 9	Prepayment features with negative compensation	1 January 2019
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	Effective date to be determined
Amendments to IFRS 15	Clarifications to IFRS 15	1 January 2018
IFRS 9	Financial instruments	1 January 2018
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IFRIC 22	Foreign currency transactions and advance consideration	1 January 2018
IFRIC 23	Uncertainty over income tax treatments	1 January 2019

(1) IFRS 9 Financial Instruments

IFRS 9 "Financial Instruments" replaces the whole of IAS 39. IFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. Classification is driven by the Group's business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A1. Basis of preparation and changes in accounting policies (Continued)

b) Accounting policies (Continued)

(ii) New accounting standards and amendments to standards that are not yet effective and have not been early adopted by the Group (Continued)

(1) IFRS 9 Financial Instruments (Continued)

The Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets for the following reasons:

• The financial instruments that are currently classified as available-for-sale financial assets would appear to satisfy the conditions for classification as at fair value through other comprehensive income and hence there will be no change to the accounting for these assets.

• The equity investments currently measured at fair value through profit or loss ("FVTPL") would likely continue to be measured on the same basis under IFRS 9.

For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

The derecognition rules have been transferred from IAS 39 "Financial Instruments: Recognition and Measurement" and have not been changed.

IFRS 9 also introduces a new model for the recognition of impairment losses — the expected credit losses ("ECL") model, which constitutes a change from the incurred loss model in IAS 39. IFRS 9 contains a "three stage" approach, which is based on the changes in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A1. Basis of preparation and changes in accounting policies (Continued)

b) Accounting policies (Continued)

(ii) New accounting standards and amendments to standards that are not yet effective and have not been early adopted by the Group (Continued)

(1) IFRS 9 Financial Instruments (Continued)

The new impairment model requires the recognition of impairment provisions based on ECL rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under IFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts.

Based on the assessments undertaken to date, the Group considers that there will be no material adverse change in the credit risks in respect of the Group's future financial assets and the adoption of the new ECL model under IFRS 9 will not have significant impact on its financial performance and position.

(2) IFRS 15 Revenue from contracts with customers

IFRS 15 replaces the previous revenue standards: IAS 18 Revenue and IAS 11 Construction Contracts, and the related Interpretations on revenue recognition. IFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

It moves away from a revenue recognition model based on an "earnings process" to an "asset-liability" approach based on transfer of control. IFRS 15 provides specific guidance on capitalisation of contract costs and licence arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers.

The Group has performed preliminary assessment on the adoption of IFRS 15 and the initial result indicated that the impact on the Group's financial statements are not expected to be significant other than changes in disclosures.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A1. Basis of preparation and changes in accounting policies (Continued)

b) Accounting policies (Continued)

(ii) New accounting standards and amendments to standards that are not yet effective and have not been early adopted by the Group (Continued)

(3) IFRS 16 Leases

IFRS 16 "Leases" addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for in the lessee's statement of financial position. The standard replaces IAS 17 "Leases" and related interpretations.

The Group is a lessee of office, residential premises and coaches which are currently classified as operating leases. The Group's current accounting policy is to account for such operating lease payments in the consolidated statement of profit or loss when incurred and the Group's future operating lease commitments are not reflected in the consolidated statement of financial position. As at 31 March 2018, the Group's total non-cancellable operating leases amounted to US$3,209,000.

However, the Group has not yet assessed what other adjustments, if any, are necessary, for example, because of the change in the definition of the lease term and the different treatment of variable lease payments of extension and termination options. It is therefore not yet possible to estimate the amount of an asset (for the right to use) and a financial liability (for the payment obligation) that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

The adoption of this standard is mandatory for annual periods beginning on or after 1 January 2019. The Group has decided not to adopt the IFRS16 until it becomes effective for the Group's financial year beginning 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other new, amended or revised standards and interpretations that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

c) Functional currency and translation to presentation currency

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

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A2. Auditor's report on preceding annual financial statements

The auditor's report of the Group's annual financial statements for the year ended 31 March 2017 was not subject to any qualification.

A3. Seasonal or cyclical factors

The business operations of the Group may be affected by major festive seasons or major events that may increase or decrease the advertising revenue and the travel business revenue.

A4. Unusual items

The following are the unusual items that occurred during the quarter and financial year ended 31 March 2018:

	(Unaudited) Three months ended 31 March		**Year ended 31 March**	
	2018	2017	**2018**	2017
	US$'000	US$'000	**US$'000**	US$'000
Provision for impairment of goodwill	**20,709**	3,603	**20,709**	3,603
Provision for impairment of property, plant and equipment	**5,146**	35	**5,146**	35

A5. Changes in estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the results of the current quarter under review.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A6. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

A7. Dividends paid

The second interim dividend of US0.36 cents per ordinary share, totaling US$6,074,000, in respect of the year ended 31 March 2017, was paid on 10 July 2017.

The first interim dividend of US0.25 cents per ordinary share, totaling US$4,218,000 in respect of the year ended 31 March 2018, was paid on 29 December 2017.

A8. Turnover and segment information

The Group Executive Committee is the Group's chief operating decision-maker. Management has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for strategic decisions making.

The Group is organised operationally on a worldwide basis in four major operating segments:

Publishing and printing: Malaysia and other Southeast Asian countries
Publishing and printing: Hong Kong, Taiwan and Mainland China
Publishing and printing: North America
Travel and travel related services

Publishing and printing segments are engaged in the publication, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language. The segments derive revenue mainly from the provision of advertising services and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sales of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as presented in the internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The Group's turnover and results for the quarter ended 31 March 2018, analysed by operating segment, are as follows:

	(Unaudited) Three months ended 31 March 2018					
	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong, Taiwan and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	38,323	11,419	3,839	53,581	9,960	63,541
Segment (loss) /profit before income tax	(19,000)	965	(674)	(18,709)	(615)	(19,324)
Unallocated finance costs						(678)
Other net unallocated expenses						(155)
Loss before income tax						(20,157)
Income tax credit						52
Loss for the quarter						(20,105)
Other segmental information:						
Interest income	700	7	-	707	7	714
Finance costs	(65)	(23)	-	(88)	-	(88)
Depreciation of property, plant and equipment	(1,710)	(313)	(70)	(2,093)	(13)	(2,106)
Amortisation of intangible assets	(185)	(47)	(2)	(234)	(8)	(242)
Provision for impairment of property, plant and equipment	(5,146)	-	-	(5,146)	-	(5,146)
Provision for impairment of intangible assets	(949)	-	-	(949)	-	(949)
Provision for impairment of goodwill	(20,709)	-	-	(20,709)	-	(20,709)
Share of post-tax results of joint ventures and associates	-	(46)	-	(46)	-	(46)

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The Group's turnover and results for the quarter ended 31 March 2017, analysed by operating segment, are as follows:

	(Unaudited) Three months ended 31 March 2017					
	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong, Taiwan and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	36,086	11,491	4,392	51,969	10,425	62,394
Segment profit /(loss) before income tax	3,978	(2,958)	(19)	1,001	(138)	863
Unallocated finance costs						(948)
Other net unallocated expenses						49
Loss before income tax						(36)
Income tax expense						(840)
Loss for the quarter						(876)
Other segmental information:						
Interest income	620	20	-	640	4	644
Finance costs	(4)	(2)	-	(6)	-	(6)
Depreciation of property, plant and equipment	(1,586)	(339)	(79)	(2,004)	(32)	(2,036)
Amortisation of intangible assets	(179)	(53)	(4)	(236)	(9)	(245)
Provision for impairment of property, plant and equipment	-	(35)	-	(35)	-	(35)
Provision for impairment of goodwill	(3,603)	-	-	(3,603)	-	(3,603)
Share of post-tax results of joint ventures and associates	-	3	-	3	-	3

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The Group's turnover and results for the year ended 31 March 2018, analysed by operating segment, are as follows:

	Year ended 31 March 2018					
	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong, Taiwan and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	142,848	51,583	15,662	210,093	74,870	284,963
Segment (loss) /profit before income tax	(2,959)	(585)	(2,533)	(6,077)	2,361	(3,716)
Unallocated finance costs						(2,594)
Other net unallocated expenses						(564)
Loss before income tax						(6,874)
Income tax expense						(5,331)
Loss for the year						(12,205)
Other segmental information:						
Interest income	2,356	31	21	2,408	35	2,443
Finance costs	(131)	(68)	-	(199)	-	(199)
Depreciation of property, plant and equipment	(6,497)	(1,283)	(302)	(8,082)	(72)	(8,154)
Amortisation of intangible assets	(720)	(194)	(13)	(927)	(35)	(962)
Provision for impairment of property, plant and equipment	(5,146)	-	-	(5,146)	-	(5,146)
Provision for impairment of intangible assets	(949)	-	-	(949)	-	(949)
Provision for impairment of goodwill	(20,709)	-	-	(20,709)	-	(20,709)
Share of post-tax results of joint ventures and associates	-	79	-	79	-	79

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The Group's turnover and results for the year ended 31 March 2017, analysed by operating segment, are as follows:

	Year ended 31 March 2017					
	Publishing and printing					
	Malaysia and other Southeast Asian countries	Hong Kong, Taiwan and Mainland China	North America	Sub-total	Travel and travel related services	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Turnover	162,080	53,498	17,599	233,177	69,409	302,586
Segment profit /(loss) before income tax	28,301	(3,363)	(1,057)	23,881	2,464	26,345
Unallocated finance costs						(4,790)
Other net unallocated expenses						(780)
Profit before income tax						20,775
Income tax expense						(7,584)
Profit for the year						13,191
Other segmental information:						
Interest income	3,064	95	11	3,170	19	3,189
Finance costs	(13)	(9)	-	(22)	-	(22)
Depreciation of property, plant and equipment	(6,781)	(1,435)	(337)	(8,553)	(128)	(8,681)
Amortisation of intangible assets	(769)	(218)	(15)	(1,002)	(38)	(1,040)
Provision for impairment of property, plant and equipment	-	(35)	-	(35)	-	(35)
Provision for impairment of goodwill	(3,603)	-	-	(3,603)	-	(3,603)
Share of post-tax results of joint ventures and associates	-	435	-	435	-	435

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The segment assets and liabilities as at 31 March 2018 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	**Hong Kong, Taiwan and Mainland China US$'000**	**North America US$'000**	**Sub-total US$'000**	**Travel and travel related services US$'000**	**Elimination US$'000**	**Total US$'000**
Segment assets	**244,775**	**49,690**	**11,705**	**306,170**	**23,321**	**(96)**	**329,395**
Unallocated assets							**2,362**
Total assets							**331,757**
Total assets include:							
Investments accounted for using the equity method	**-**	**143**	**-**	**143**	**-**	**-**	**143**
Additions to non-current assets (other than deferred income tax assets)	**678**	**9,240**	**41**	**9,959**	**28**	**-**	**9,987**
Segment liabilities	**(23,626)**	**(16,536)**	**(7,100)**	**(47,262)**	**(14,711)**	**96**	**(61,877)**
Unallocated liabilities							**(68,112)**
Total liabilities							**(129,989)**

The segment assets and liabilities as at 31 March 2017 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	Hong Kong, Taiwan and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Elimination US$'000	Total US$'000
Segment assets	231,116	44,068	13,256	288,440	17,586	(150)	305,876
Unallocated assets							2,930
Total assets							308,806
Total assets include:							
Investments accounted for using the equity method	-	731	-	731	-	-	731
Additions to non-current assets (other than deferred income tax assets)	825	901	92	1,818	52	-	1,870
Segment liabilities	(16,363)	(14,480)	(6,678)	(37,521)	(11,054)	150	(48,425)
Unallocated liabilities							(63,066)
Total liabilities							(111,491)

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The elimination between segments represents intercompany receivables and payables between segments.

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, available-for-sale financial assets – listed equity shares, investments accounted for using the equity method, other non-current financial assets, inventories, trade and other receivables, short-term bank deposits, and cash and cash equivalents. They mainly exclude deferred income tax assets, available-for-sale financial assets – unlisted club debenture, financial assets at fair value through profit or loss and income tax recoverable of the Group.

Segment liabilities consist primarily of trade and other payables, retirement benefit obligations, defined benefit plan liabilities, bank and other borrowings and other non-current liabilities. They mainly exclude deferred income tax liabilities and income tax liabilities of the Group.

A9. Valuation of property, plant and equipment

There was no revaluation of the Group's property, plant and equipment during the quarter ended 31 March 2018.

A10. Subsequent material events

There were no subsequent material events of the Group.

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A11. Changes in the composition of the Group

There were no material changes in the composition of the Group during the quarter under review, except for the following:

(i) On 13 July 2017, Blackpaper Limited ("Blackpaper") completed a reorganisation and became an indirect wholly-owned subsidiary of Most Kwai Chung Limited ("Most Kwai Chung") in return for the Group to hold 10% interest in Most Kwai Chung, which was classified as an associate for the period from 13 July 2017 to 27 March 2018. On 28 March 2018, Most Kwai Chung became a listed company on the Main Board of The Stock Exchange of Hong Kong Limited ("the Listing"). Upon the Listing, the Group's equity interest in Most Kwai Chung was diluted to 7.5% and the Group has no right to appoint a board representative in Most Kwai Chung. Hence, Most Kwai Chung ceased to be an associate of the Group on 28 March 2018. The Group accounted for the investment in Most Kwai Chung as available-for-sale financial asset. Upon initial recognition, the available-for-sale financial asset was measured at its fair value amounting to US$3,096,000, which was determined based on the share offer price of Most Kwai Chung upon the Listing, and the Group recognised a deemed disposal gain of US$2,716,000 in the consolidated income statement in accordance with IAS28 "Investments in associates and joint ventures". Subsequent measurement on the Group's interest in Most Kwai Chung as available-for-sale financial asset is set out in the Group's accounting policies.

(ii) Reference is made to the announcement of the Company dated 5 March 2018, Cittabella (Malaysia) Sdn Bhd, a dormant and indirect wholly-owned subsidiary of the Company, had commenced a member's voluntary winding-up pursuant to Section 439(1)(b) of the Malaysian Companies Act, 2016.

A12. Capital commitments

Capital commitments outstanding as at 31 March 2018 are as follows:

	US$'000
Property, plant and equipment :	
Authorised and contracted for	**123**
Authorised but not contracted for	**98**
	221

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A13. Related party transactions

	(Unaudited) Three months ended 31 March		Year ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**US$'000**	US$'000
Event sponsorship commission paid to a related company *(note 1)*	**6**	-	**9**	-
Motor vehicle insurance premiums paid to a related company *(note 1)*	**1**	-	**2**	-
Newsprint purchases from a related company *(note 1)*	**2,533**	4,528	**13,009**	11,984
Provision of broadband internet services by a related company *(note 1)*	**1**	-	**2**	-
Provision of engineering professional services by a related company *(note 1)*	**12**	-	**46**	-
Purchase of a motor vehicle from a related company *(note 1)*	**-**	-	**-**	25
Purchases of air tickets from a related company *(note 1)*	**5**	25	**8**	50
Purchases of honey from a related company *(note 1)*	**1**	23	**2**	63
Rental expenses paid to related companies *(note 1)*	**23**	21	**87**	86
Advertising income received from related companies *(note 1)*	**(1)**	(1)	**(11)**	(4)
Commission received from sales of honey from a related company *(note 1)*	**(1)**	-	**(5)**	-
Content providing income received from a joint venture	**-**	-	**-**	(1)
Photo licensing income received from an associate	**(1)**	-	**(2)**	-
Provision of accounting and administrative services to related companies *(note 1)*	**(4)**	(4)	**(16)**	(16)
Provision of accounting service to an associate	**(39)**	(24)	**(156)**	(112)
Provision of air ticketing and accommodation arrangement services to related companies *(note 1)*	**(2)**	(11)	**(42)**	(42)
Rental income received from a related company *(note 1)*	**-**	(1)	**(2)**	(4)
Scrap sales of old newspapers and magazines to a related company *(note 1)*	**(284)**	(330)	**(1,036)**	(1,382)

Notes:

1) Certain shareholders and directors of the Company are shareholders and/or directors of these related companies.
2) All the transactions above have been entered into in the normal course of business and have been charged at predetermined rates agreed mutually by the parties involved.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS

B1. Analysis of performance

	(Unaudited) Three months ended 31 March			Year ended 31 March		
	2018	2017		**2018**	2017	
	US$'000	US$'000	% Change	**US$'000**	US$'000	% Change
Turnover	**63,541**	62,394	1.8%	**284,963**	302,586	-5.8%
Operating profit before provision for impairment of goodwill	**1,364**	4,518	-69.8%	**16,549**	28,755	-42.4%
Provision for impairment of goodwill	**(20,709)**	(3,603)	-474.8%	**(20,709)**	(3,603)	-474.8%
(Loss)/profit before income tax	**(20,157)**	(36)	-55891.7%	**(6,874)**	20,775	-133.1%
EBITDA	**(11,662)**	2,590	-550.3%	**8,687**	32,154	-73.0%

The Group's turnover for the three months ended 31 March 2018 was US$63,541,000, reflecting a marginal increase of 1.8% or US$1,147,000 over the US$62,394,000 reported in the same quarter last year. However, it would have been a decrease of about 5.7% if currency impact was excluded.

Revenue from the publishing and printing segment increased by 3.1% or US$1,612,000 from US$51,969,000 to US$53,581,000 whilst revenue from the travel segment fell 4.5% or US$465,000 to US$9,960,000 from US$10,425,000 in the prior year quarter. If currency impact was excluded, the two segments would have registered decreases in revenue of about 5.9% and 4.8% respectively.

The Group reported a loss before income tax of US$20,157,000 for the quarter ended 31 March 2018 as compared to a loss of US$36,000 for the last corresponding quarter. The increase in loss was mainly due to a provision for impairment of goodwill of US$20,709,000 (2016/2017: US$3,603,000). The Group's operating profit before the provision for impairment of goodwill was US$1,364,000, 69.8% below the US$4,518,000 reported in the prior-year quarter.

Both the Malaysian Ringgit ("RM") and the Canadian dollar ("CAD") strengthened against the US$ during the quarter under review, which resulted in a positive currency impact on the Group's result for the quarter.

The Group reported a EBITDA loss of US$11,662,000 for the quarter, compared with a EBITDA of US$2,590,000 in the corresponding quarter last year.

For the fourth quarter of the financial year 2017/2018, the turnover of the Group's publishing and printing segment in Malaysia increased by 6.2% to US$38,323,000 from US$36,086,000 in the same quarter last year. The 6.2% increase was due to positive currency impact, excluding which, it would have been a decrease of about 6.3%. The segment reported a loss before income tax of US$19,000,000, mainly due to a provision for impairment of goodwill of US$20,709,000 and a provision for impairment of plant and machinery of US$5,146,000. Excluding these non-cash charges, the segment's result fell by 9.6% year-on-year to US$6,855,000 from US$7,581,000 in the prior year quarter on a comparable basis. The weaker performance was mainly driven by lower advertising revenue from the segment's print publications, which was partly cushioned by increased revenue from the segment's digital business as well as savings from cost containment measures.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)

B1. Analysis of performance (Continued)

Turnover for the Group's publishing and printing segment in Hong Kong, Taiwan and Mainland China amounted to US$11,419,000 for the current quarter, a marginal decrease of 0.6% or US$72,000 when compared to US$11,491,000 in the corresponding quarter a year ago. The segment reported a profit before income tax of US$965,000 for the current quarter as compared to a loss before income tax of US$2,958,000 recorded a year earlier. The marginal drop in this segment's revenue was attributable to the slowly improving economy and the increased contribution from its digital business which continued to expand and registered a double-digit growth in revenue during the quarter under review. The improved segment result was mainly due to the recognition of a gain of US$2,716,000 arising from the listing of the Group's associate, Most Kwai Chung Limited, on 28 March 2018.

Against a background of slowing economic growth, turnover of the Group's North American publishing and printing segment dropped by 12.6% to US$3,839,000. The segment's performance during the quarter was also adversely affected by the cooling down of the Canadian housing market following the country's imposition of various new regulations and policies. The segment's loss before income tax increased to US$674,000 from US$19,000 in the same quarter last year. The Group has been taking various measures to improve the segment's operating efficiency and reduce its overall costs, including outsourcing some of the segment's business processes and further review its manpower needs.

Turnover of the Group's travel business fell by 4.5% to US$9,960,000 from US$10,425,000 recorded in the same quarter last year. This resulted in the segment reporting a larger loss before income tax of US$615,000, compared to US$138,000 in the year-ago quarter. The current quarter's weaker performance was attributable to the increased competition from airlines and other industry players which affected both the revenue and profit margins of the travel segment.

For the year ended 31 March 2018, the Group's turnover decreased by 5.8% or US$17,623,000 to US$284,963,000 when compared to US$302,586,000 in FY 2016/2017. The turnover of the Group's publishing and printing segment fell 9.9% to US$210,093,000 whereas its travel segment registered a 7.9% growth in turnover from last year's US$69,409,000 to US$74,870,000. Besides the decline in revenue, the Group's operating result for the year ended 31 March 2018 was also affected by the provision for impairment of goodwill of US$20,709,000. The Group reported a loss before income tax of US$6,874,000 as against last year's profit before income tax of US$20,775,000. Accordingly, the Group's EBITDA for the year 2017/2018 dropped 73.0% or US$23,467,000 from last year's US$32,154,000 to US$8,687,000.

During the year ended 31 March 2018, both RM and the CAD strengthened mildly against the US$ which resulted in a positive currency impact of about US$1.8m on the Group's turnover and a negative currency impact of about US$0.4m on the Group's profit before income tax and provision for impairment of goodwill.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)

B2. Variation of results against immediate preceding quarter

	(Unaudited) Three months ended 31 March 2018 US$'000	(Unaudited) Three months ended 31 December 2017 US$'000	% Change
Turnover	**63,541**	67,779	-6.3%
(Loss)/profit before income tax	**(20,157)**	4,287	-570.2%

The Group's turnover declined by 6.3% or US$4,238,000 to US$63,541,000 from US$67,779,000 in the immediate preceding quarter. The fourth quarter was a traditional low season for both the publishing and the travel segments. The publishing and printing segment reported a marginal increase in revenue of 0.5% in the current quarter, while the travel segment's turnover showed a 31.2% quarter-on-quarter decrease.

Besides the seasonal effect, the current quarter's result was further impacted by a provision for impairment of goodwill of US$20,709,000 and a provision for impairment of plant and machinery of US$5,146,000. However, the gain of US$2,716,000 recognised upon the listing of Most Kwai Chung Limited help mitigate the impact of the impairment losses. The Group reported a loss before income tax of US$20,157,000 as compared to a profit before income tax of US$4,287,000 in the immediate preceding quarter.

B3. Current year prospects

We expect the operating environment for our businesses, both publishing and travel, to remain challenging amid weak consumer sentiment and rising costs of doing business as well as new technologies that continue to reshape the media industry. Despite the improvement in the general economy of the countries we operate in, such improvement has not benefitted our businesses as the sectors in which our advertisers operate in remain subdued. Furthermore, newsprint prices are escalating due to a supply shortage and this will hit the Group with more challenges in the year ahead.

Nevertheless, we will continue our efforts in converging our print with our digital businesses and intensify our cost cutting efforts, particularly in streamlining our printing process in Malaysia. The Group is committed to further developing its digital media business in order to ensure long term sustainable competitiveness while continuing to strengthen its core publishing and travel businesses.

B4. Profit forecast and profit guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)

B5. Profit/(loss) before income tax

Profit/(loss) before income tax has been arrived at after (charging) /crediting:

	(Unaudited) Three months ended 31 March		Year ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**US$'000**	US$'000
Exchange gains/(losses) - net	**(56)**	212	**(61)**	(211)
Exchange loss on derivative - net	**-**	(101)	**-**	(690)
Reversal/(provision) for impairment and write-off of trade and other receivables	**132**	(227)	**(75)**	(800)
Provision for impairment and write-off of inventories	**(145)**	(50)	**(268)**	(162)
Deemed disposal gain on interest in an associate	**2,716**	-	**2,716**	-

Save as disclosed above and in A8, the other items as required under Part A(16) of Appendix 9B of the Bursa Securities' Listing Requirements are not applicable.

B6. Income tax (credit)/ expense

Income tax (credit)/expense comprises the following:

	(Unaudited) Three months ended 31 March		Year ended 31 March	
	2018	2017	**2018**	2017
	US$'000	US$'000	**US$'000**	US$'000
Current period income tax expense	**1,822**	2,182	7,515	9,500
Over provision in prior years	**(226)**	(1,507)	(148)	(1,457)
Deferred income tax (credit)/expense	**(1,648)**	165	(2,036)	(459)
	(52)	840	5,331	7,584

The effective tax rate of the Group for the current quarter and year under review was higher than the Malaysian statutory tax rate of 24% mainly due to the non–deductibility of certain expenses for income tax purposes.

B7. Status of corporate proposal

There were no corporate proposals announced but not completed at the latest practicable date, which is not earlier than seven days from the date of issue of this financial information.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)

B8. Group borrowings

The Group's borrowings as at 31 March 2018 are as follows:

	Secured US$'000	Unsecured US$'000	Total US$'000
Current			
Short-term bank borrowings	4,346	5,856	10,202
Medium-term notes	-	58,245	58,245
	4,346	64,101	68,447

The Group's borrowings were denominated in the following currencies:

	US$'000
Malaysian Ringgit	64,101
Hong Kong dollars	3,822
United States dollars	524
	68,447

The net gearing ratio of the Group, calculated as net debt over owners' equity, was nil as at 31 March 2018 and 31 March 2017.

B9. Material litigation

As at 31 March 2018, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings is still uncertain as of the date this financial information is authorised for issue, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

B10. Dividend payable

The Board of Directors has declared a second interim dividend of US0.18 cents (2016/2017: US0.36 cents) per ordinary share in respect of the year ended 31 March 2018. The dividend will be payable on Friday, 13 July 2018 to shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 20 June 2018 in cash in RM or in Hong Kong dollars ("HK$") at the average exchange rates used during the year ended 31 March 2018 for the translation of the results of the subsidiaries whose functional currencies are not US$. This interim dividend, amounting to US$3,037,000 (2016/2017: US$6,074,000) has not been recognised as a dividend payable in this financial information.

The average exchange rates used during the year ended 31 March 2018 of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable is as follows:

	Exchange rates	Dividend per ordinary share
US$ to RM	4.1333	0.744 sen
US$ to HK$	7.8425	HK 1.412 cents

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)

B10. Dividend payable(Continued)

No tax is payable on the dividend declared by the Company to be received by shareholders in Malaysia as it is income from foreign source in accordance with paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

The register of members in Hong Kong will be closed on Wednesday, 20 June 2018 whereby no transfer of shares will be registered on that date. In order to qualify for the second interim dividend of US0.18 cents per ordinary share, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 19 June 2018. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to the dividend only in respect of: i) shares transferred into the depositor's securities account before 4:00 p.m. on Wednesday, 20 June 2018 in respect of transfers; and ii) shares bought on Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities. The second interim dividend will be payable to the shareholders on Friday, 13 July 2018.

Shareholders who wish to request for transmission of their shares between the Malaysia Register and Hong Kong Register are advised to take note that request for transmission will be suspended from Tuesday, 12 June 2018 to Wednesday, 20 June 2018, both days inclusive.

B11. (Loss)/earnings per share attributable to owners of the Company

	(Unaudited) Three months ended 31 March		Year ended 31 March	
	2018	2017	**2018**	2017
(Loss)/profit attributable to owners of the Company (US$'000)	**(19,959)**	828	**(11,485)**	15,156
Weighted average number of ordinary shares in issue	**1,687,236,241**	1,687,236,241	**1,687,236,241**	1,687,236,241
Basic (loss)/earnings per share (US cents)	**(1.18)**	0.05	**(0.68)**	0.90
Diluted (loss)/earnings per share (US cents)	**(1.18)**	0.05	**(0.68)**	0.90

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no dilutive potential shares in issue during the quarter and year ended 31 March 2018 and 2017.

On behalf of the Board
Media Chinese International Limited

Tin Suk Han
Tong Siew Kheng
Joint Company Secretaries
30 May 2018