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 OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2017

The directors of Media Chinese International Limited (the "Company") hereby announce that the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2017, together with comparative figures for the year ended 31 March 2016 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Year ended 31 March	
	Note	**2017** *US$'000*	2016 *US$'000*
Turnover	*3*	**302,586**	349,126
Cost of goods sold		**(189,764)**	(215,589)
Gross profit		**112,822**	133,537
Other income	*5*	**8,704**	9,105
Other (losses)/gains, net	*6*	**(336)**	156
Selling and distribution expenses		**(56,034)**	(59,353)
Administrative expenses		**(30,939)**	(32,988)
Other operating expenses		**(5,462)**	(5,859)
		28,755	44,598
Provision for impairment of goodwill		**(3,603)**	(1,957)
Operating profit		**25,152**	42,641
Finance costs	*7*	**(4,812)**	(5,328)
Share of results of joint ventures and associates		**435**	82
Profit before income tax		**20,775**	37,395
Income tax expense	*8*	**(7,584)**	(11,273)
Profit for the year		**13,191**	26,122
Profit/(loss) attributable to:			
Owners of the Company		**15,156**	26,649
Non-controlling interests		**(1,965)**	(527)
		13,191	26,122
Earnings per share attributable to owners of the Company			
Basic (US cents)	*9*	**0.90**	1.58
Diluted (US cents)	*9*	**0.90**	1.58

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Profit for the year	**13,191**	26,122
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(18,338)**	(6,643)
Item that will not be reclassified subsequently to profit or loss:		
Remeasurements of post-employment benefit obligations	**(23)**	29
Other comprehensive loss for the year, net of tax	**(18,361)**	(6,614)
Total comprehensive (loss)/income for the year	**(5,170)**	19,508
Total comprehensive (loss)/income for the year attributable to:		
Owners of the Company	**(3,133)**	20,091
Non-controlling interests	**(2,037)**	(583)
	(5,170)	19,508

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 31 March 2017** *US$'000*	As at 31 March 2016 *US$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**96,266**	114,596
Investment properties		**14,587**	15,451
Intangible assets		**43,231**	53,516
Deferred income tax assets		**226**	300
Investments accounted for using the equity method		**731**	749
		155,041	184,612
Current assets			
Inventories		**19,918**	23,869
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**346**	340
Trade and other receivables	*11*	**41,239**	51,669
Income tax recoverable		**2,133**	1,403
Short-term bank deposits		**10,086**	–
Cash and cash equivalents		**79,946**	140,950
		153,765	218,328
Current liabilities			
Trade and other payables	*12*	**46,634**	53,131
Income tax liabilities		**1,644**	3,871
Bank and other borrowings	*13*	**2,506**	58,453
Current portion of other non-current liabilities		**26**	83
		50,810	115,538
Net current assets		**102,955**	102,790
Total assets less current liabilities		**257,996**	287,402

	Note	As at **31 March 2017** *US$'000*	As at 31 March 2016 *US$'000*
EQUITY			
Equity attributable to owners of the Company			
Share capital		**21,715**	21,715
Share premium		**54,664**	54,664
Other reserves		**(126,266)**	(107,715)
Retained earnings		**243,581**	244,360
		193,694	213,024
Non-controlling interests		**3,621**	5,703
Total equity		**197,315**	218,727
Non-current liabilities			
Bank and other borrowings	*13*	**50,870**	57,663
Deferred income tax liabilities		**8,622**	9,981
Other non-current liabilities		**1,189**	1,031
		60,681	68,675
		257,996	287,402

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 March 2017

1. BASIS OF PREPARATION

The consolidated financial information of the Company and its subsidiaries (collectively the "Group") have been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs") and under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, and financial assets at fair value through profit or loss. This consolidated financial information also included applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules").

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

The Group has adopted the following amendments to standards which became effective for the first time for the financial year beginning on or after 1 April 2016:

(a) Amendments to IAS 1, "Disclosure initiative";

(b) Amendments to IAS 16 and IAS 38, "Clarification of acceptable methods of depreciation and amortisation";

(c) Amendments to IAS 27, "Equity method in separate financial statements"

(d) Amendments to IFRS 10, IFRS 12 and IAS 28, "Investment entities: applying the consolidated exception";

(e) Amendments to IFRS 11, "Accounting for acquisitions of interests in joint operations"; and

(f) Annual improvements 2014, "Annual improvements to IFRSs 2012–2014 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.

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

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2016, and have not been applied in preparing this consolidated financial information.

		Effective for annual periods beginning on or after
Amendments to IAS 7	Statement of cash flows	1 January 2017
Amendments to IAS 12	Income taxes	1 January 2017
Amendments to IFRS 2	Classification and measurement of share-based payment transactions	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
Amendments to IFRS 10 and IAS 28	Sale or distribution of assets between an investor and its associate or joint venture	To be determined

The Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. Management is in the process of assessing the impact of these standards, amendments and interpretations to existing IFRS and set out below are the expected impact on the Group's financial performance and position:

IFRS 9, "Financial Instruments", 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 change 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. The Group has yet to undertake a detailed assessment of how its impairment provisions would be affected by the new model.

IFRS 9 "Financial instrument" addresses the classification, measurement and recognition of financial assets and liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value with the irrevocable option at inception to present changes in fair value in other comprehensive income as an item that will not be recycled subsequently, 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. 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 the other comprehensive income, 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. While the Group has yet to undertake a detailed assessment of the classification, measurement and recognition of financial assets and financial liabilities, the management does not expect adopting IFRS 9 will have a material impact to the Group's consolidated financial statements. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted.

The Group intends to quantify the potential impact of IFRS 9 once it is practicable to provide reliable estimates.

IFRS 15, "Revenue from contracts with customers", deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 "Construction contracts" and related interpretations.

IFRS 16, "Leases" addresses the definition of a lease, recognition and measurement of leases. The standard replaces IAS 17 'Leases' and related interpretations. The Group is a lessee of office premises, which are currently classified as operating leases.

IFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to amortise certain leases outside of the consolidated statements of financial position. Instead, all non-current leases must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Thus each lease will be mapped in the Group's consolidated statement of financial position. Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation. The new standard will therefore result in an increase in right-of-use asset and an increase in financial liability in the consolidated statement of financial position. This will affect related ratios, such as the debt to capital ratio. In the consolidated statements of comprehensive income, leases will be recognised in the future as depreciation and amortisation and will no longer be recorded as property rental and related expenses. Interest expense on the lease liability will be presented separately from depreciation and amortisation under finance costs. As a result, the property rental and related expenses under otherwise identical circumstances will decrease, while depreciation and amortisation and the interest expense will increase. The combination of a straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial year of the lease, and decreasing expenses during the latter part of the lease term. The new standard is not expected to apply until the financial year 2019/2020, including the adjustment of prior years.

The management of the Group anticipated that the application of the other new and revised standards, amendments or interpretations will have no material impact on the Group's consolidated financial statements.

(iii) Change in the presentation of the consolidated statement of profit or loss

In the current year, the provision for impairment of goodwill is presented as a separate line item instead of being included under "Other (losses)/gains, net" in the consolidated statement of profit or loss as in the previous years. The management believes that the current presentation will provide more relevant information to the users of the financial information for the evaluation of the Group's operating performance. The change in presentation has been adopted retrospectively, and the comparative figures have been reclassified, but there is no impact to the overall consolidated financial statement.

2. 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 Malaysian Ringgit ("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 United States Dollar ("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$.

The assets and liabilities of each entity within the Group are mostly denominated in its own functional currency and do not have material impact on the consolidated statement of profit or loss for the year.

During the year ended 31 March 2017, the Group has been particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group's operations is located in Malaysia, and a decrease in the exchange fluctuation reserve of US$18,551,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

3. TURNOVER AND SEGMENT INFORMATION

The Group has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for making strategic decisions.

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 provision for 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.

The Group's turnover and results for the year ended 31 March 2017, analysed by operating segment, 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$'000*	Total *US$'000*
Turnover	**162,080**	**53,498**	**17,599**	**233,177**	**69,409**	**302,586**
Segment profit/(loss) before income tax	**28,301**	**(3,798)**	**(1,057)**	**23,446**	**2,464**	**25,910**
Unallocated finance costs						**(4,790)**
Other net unallocated expenses						**(780)**
Share of results of joint ventures and associates						**435**
Profit before income tax						**20,775**
Income tax expense						**(7,584)**
Profit for the year						**13,191**
Other 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)**
Income tax (expense)/credit	**(8,072)**	**(473)**	**1,415**	**(7,130)**	**(454)**	**(7,584)**

The Group's turnover and results for the year ended 31 March 2016, analysed by operating segment, 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$'000*	Total *US$'000*
Turnover	186,387	60,848	19,186	266,421	82,705	349,126
Segment profit/(loss) before income tax	39,619	(1,821)	(996)	36,802	6,250	43,052
Unallocated finance costs						(5,250)
Other net unallocated expenses						(489)
Share of results of joint ventures and associates						82
Profit before income tax						37,395
Income tax expense						(11,273)
Profit for the year						26,122
Other information:						
Interest income	2,640	153	–	2,793	17	2,810
Finance costs	(51)	(27)	–	(78)	–	(78)
Depreciation of property, plant and equipment	(7,196)	(1,532)	(370)	(9,098)	(125)	(9,223)
Amortisation of intangible assets	(862)	(166)	(19)	(1,047)	(45)	(1,092)
Provision for impairment of goodwill	(1,957)	–	–	(1,957)	–	(1,957)
Income tax (expense)/credit	(10,603)	(719)	1,190	(10,132)	(1,141)	(11,273)

Turnover is derived from publishing, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language, and provision of travel and travel related services. Turnover recognised during the year is as follows:

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Advertising income, net of trade discounts	**165,179**	190,109
Sales of newspapers, magazines, books and digital contents, net of trade discounts and returns	**67,998**	76,312
Travel and travel related services income	**69,409**	82,705
	302,586	349,126

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

	Publishing and printing						
	Malaysia and other Southeast Asian countries	Hong Kong, Taiwan and Mainland China	North America	Sub-total	Travel and travel related services	Elimination	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*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)

The segment assets and liabilities as at 31 March 2016 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	309,346	60,419	14,197	383,962	16,877	(167)	400,672
Unallocated assets							2,268
Total assets							402,940
Total assets include:							
Investments accounted for using the equity method	–	749	–	749	–	–	749
Additions to non-current assets (other than deferred income tax assets)	2,065	1,075	103	3,243	69	–	3,312
Segment liabilities	(20,901)	(16,255)	(6,690)	(43,846)	(8,968)	167	(52,647)
Unallocated liabilities							(131,566)
Total liabilities							(184,213)

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

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, investments accounted for using the equity method, inventories, trade and other receivables, short-term bank deposits, and cash and cash equivalents. They exclude deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss and income tax recoverable of the Group and all assets of the Company after elimination of the interests in subsidiaries.

Segment liabilities consist primarily of trade and other payables, retirement benefit obligations, defined benefit plan liabilities and short-term bank borrowings. They exclude deferred income tax liabilities and income tax liabilities of the Group and all liabilities of the Company after elimination of the amounts due to the subsidiaries.

The Group operates its publishing and printing businesses mainly in Malaysia, other Southeast Asian countries, Hong Kong, Taiwan and Mainland China ("Main operating countries").

As at 31 March 2017 and 2016, the Group's total non-current assets, other than deferred income tax assets, analysed by operating countries, are as follows:

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Main operating countries		
Malaysia and other Southeast Asian countries	**131,126**	159,413
Hong Kong, Taiwan and Mainland China	**16,737**	17,755
Other countries	**6,952**	7,144
	154,815	184,312

4. EXPENSES BY NATURE

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Employee benefit expense (including directors' emoluments)	**93,565**	99,345
Direct costs of travel and travel related services	**58,319**	67,777
Raw materials and consumables used	**51,376**	61,328
Depreciation of property, plant and equipment	**8,681**	9,223
Amortisation of intangible assets	**1,040**	1,092
Provision for impairment and written-off of trade and other receivables	**800**	605
Provision for impairment and written-off of inventories	**162**	119
Losses on disposal of intangible assets	**16**	–
(Gains)/losses on disposal of property, plant and equipment — net	**(3)**	50

5. OTHER INCOME

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Interest income	**3,189**	2,810
Scrap sales of old newspapers and magazines	**2,459**	2,905
Other media-related income	**1,920**	2,064
Rental and management fee income	**773**	810
Licence fee and royalty income	**201**	226
Dividend income	**15**	11
Others	**147**	279
	8,704	9,105

6. OTHER (LOSSES)/GAINS, NET

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Fair value gains on investment properties — net	**558**	145
Fair value gains on financial assets at fair value through profit or loss	**7**	46
Net exchange losses	**(211)**	(68)
Realised losses on derivatives	**(690)**	–
Others	**–**	33
	(336)	156

7. FINANCE COSTS

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Interest expense on medium-term notes	**4,790**	5,250
Interest expense on short-term bank borrowings	**22**	78
	4,812	5,328

8. INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the rate of 24% (2016: 25%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' 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.

Income tax expense in the consolidated statement of profit or loss represents:

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Hong Kong taxation		
Current year	**747**	972
Under/(over) provision in prior years	**79**	(7)
Malaysian taxation		
Current year	**8,574**	11,396
Over provision in prior years	**(74)**	(65)
Other countries' taxation		
Current year	**179**	357
Over provision in prior years	**(1,462)**	(1,108)
Deferred income tax credit	**(459)**	(272)
	7,584	11,273

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Year ended 31 March	
	2017	2016
Profit attributable to owners of the Company *(US$'000)*	**15,156**	26,649
Weighted average number of ordinary shares in issue	**1,687,236,241**	1,687,236,645
Basic earnings per share *(US cents)*	**0.90**	1.58
Diluted earnings per share *(US cents)*	**0.90**	1.58

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential shares in issue during the years ended 31 March 2017 and 2016.

10. DIVIDENDS

	Year ended 31 March	
	2017	2016
	US$'000	*US$'000*
Dividends attributable to the year:		
First interim, paid, US0.360 cents (2015/2016: US0.500 cents) per ordinary share	**6,074**	8,436
Second interim, declared after the end of the reporting period of US0.360 cents (2015/2016: US0.600 cents) per ordinary share	**6,074**	10,123
	12,148	18,559
Dividends paid during the year:		
Second interim, 2015/2016, US0.600 cents (2014/2015: US0.500 cents) per ordinary share *(note (a))*	**10,123**	8,436
First interim, 2016/2017, US0.360 cents (2015/2016: US0.500 cents) per ordinary share *(note (b))*	**6,074**	8,436
	16,197	16,872

The Board of Directors has declared a second interim dividend of US0.360 cents (2015/2016: US0.600 cents) per ordinary share in lieu of a final dividend for the year ended 31 March 2017. The dividend will be payable on Monday, 10 July 2017 to shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 20 June 2017 in cash in RM or in Hong Kong dollars ("HK$") at the average exchange rates used during the year ended 31 March 2017 for the translation of the results of the subsidiaries whose functional currencies are not US$. This interim dividend is not reflected as a dividend payable in this consolidated financial information.

The average exchange rates used during the year ended 31 March 2017 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	4.4542	1.604 sen
US$ to HK$	7.8129	HK2.813 cents

Note:

(a) The second interim dividend of US0.600 cents per ordinary share totaling US$10,123,000 in respect of the year ended 31 March 2016 was paid on 13 July 2016.

(b) The first interim dividend of US0.360 cents per ordinary share totaling US$6,074,000 in respect of the year ended 31 March 2017 was paid on 30 December 2016.

11. TRADE AND OTHER RECEIVABLES

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Trade receivables	**35,199**	44,144
Less: provision for impairment of trade receivables	**(2,294)**	(2,132)
Trade receivables, net *(note)*	**32,905**	42,012
Deposits and prepayments	**6,139**	6,274
Other receivables	**2,195**	3,383
	41,239	51,669

As at 31 March 2017 and 2016, the fair values of trade and other receivables approximated the carrying amounts.

Note: The Group allows in general a credit period ranging from 7 to 120 days to its trade customers.

As at 31 March 2017 and 2016, the ageing analysis of the net trade receivables based on invoice date is as follows:

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
1 to 60 days	**22,320**	29,113
61 to 120 days	**7,934**	9,409
121 to 180 days	**1,196**	2,140
Over 180 days	**1,455**	1,350
	32,905	42,012

12. TRADE AND OTHER PAYABLES

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Trade payables *(note)*	**11,474**	13,089
Accrued charges and other payables	**19,056**	26,011
Receipts in advance	**15,206**	13,711
Amounts due to related parties	**898**	320
	46,634	53,131

As at 31 March 2017 and 2016, the fair values of trade and other payables approximated the carrying amounts.

Note: As at 31 March 2017 and 2016, the ageing analysis of the trade payables based on invoice date is as follows:

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
1 to 60 days	**8,820**	11,076
61 to 120 days	**2,434**	1,796
121 to 180 days	**91**	84
Over 180 days	**129**	133
	11,474	13,089

13. BANK AND OTHER BORROWINGS

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Current		
Short-term bank borrowings (secured)	**1,636**	361
Short-term bank borrowings (unsecured)	**870**	429
Medium-term notes (unsecured)	**–**	57,663
	2,506	58,453
Non-current		
Medium-term notes (unsecured)	**50,870**	57,663
Total bank and other borrowings	**53,376**	116,116

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Malaysian Ringgit	**51,740**	115,634
United States dollars	**349**	482
Hong Kong dollars	**1,287**	–
	53,376	116,116

The carrying amounts of the bank and other borrowings that are repayable:

	As at 31 March	
	2017	2016
	US$'000	*US$'000*
Within 1 year	**2,506**	58,453
After 1 year and within 2 years	**50,870**	–
After 2 years and within 5 years	**–**	57,663
	53,376	116,116

On 24 February 2017, the Company redeemed the first tranche medium-term notes of US$50,630,000 (equivalent to RM225,000,000).

14. PROPOSED DISPOSAL

Reference is made to the announcements of the Company dated 1 August 2016 (the "First Announcement") and 1 March 2017 (the "Subsequent Announcement"), the Board of Directors announced that on 22 July 2016, Comwell Investment Limited ("Comwell", as vendor), a wholly-owned subsidiary of the Company, the Company (as guarantor) and Qingdao West Coast Holdings (Internation) Limited ("Qingdao West Coast", as purchaser) entered into a share transfer agreement (the "Share Transfer Agreement"), pursuant to which Comwell conditionally agreed to sell and Qingdao West Coast conditionally agreed to purchase 292,700,000 shares in One Media Group Limited ("One Media"), representing approximately 73.01% of the entire issued share capital of One Media (the "Proposed Disposal"). Qingdao West Coast is a company incorporated in the British Virgin Islands, whose ultimate controlling shareholder is Qingdao West Coast Development (Group) Limited, which is a PRC state-owned enterprise. Completion of the Share Transfer Agreement is conditional upon the fulfilment (or, as appropriate, waiver by Qingdao West Coast) of the conditions precedent stipulated in the Share Transfer Agreement, which amongst others, include certain agreements ("CP Agreements") becoming executed and unconditional. As stated in the Subsequent Announcement, the Company announced that on 28 February 2017, all the terms of the CP Agreements have been finalised.

Reference is also made to the announcement of the Company dated 28 March 2017 (the "Extension Announcement"), the Board of Directors announced that on 28 March 2017, Comwell and Qingdao West Coast entered into a fourth supplemental agreement which further extended the long stop date of the Share Transfer Agreement to 30 June 2017. For details, please refer to the First Announcement, the Subsequent Announcement and the Extension Announcement.

The Proposed Disposal has no material impact on the Group's consolidated financial information for the year ended 31 March 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

(US$'000)

	Year ended 31 March		
	2017	2016	Change
Turnover	**302,586**	349,126	(13.3)%
Operating profit before provision for impairment of goodwill	**28,755**	44,598	(35.5)%
Provision for impairment of goodwill	**(3,603)**	(1,957)	(84.1)%
Profit before income tax	**20,775**	37,395	(44.4)%
Profit for the year	**13,191**	26,122	(49.5)%
Profit attributable to owners of the Company	**15,156**	26,649	(43.1)%
EBITDA	**32,154**	50,228	(36.0)%
Basic earnings per share (US cents)	**0.90**	1.58	(43.0)%

OVERALL REVIEW OF OPERATIONS

For the year ended 31 March 2017, total turnover of the Group recorded a year-on-year decrease of 13.3% to US$302,586,000 from US$349,126,000 reported in the previous year. Operating profit before provision for impairment of goodwill declined by 35.5% compared to last year to US$28,755,000. Profit before income tax for the year was US$20,775,000, reflecting a decrease of 44.4% from last year's US$37,395,000.

The Group's performance during the year was adversely affected by the weak advertising expenditure sentiments in all its major markets and the continuing migration of readers from print to digital formats. Furthermore, the persistent weakness in the Malaysian Ringgit continued to weigh on the market sentiment and led to more cautious spending by advertisers. The continued security and safety concerns for travelling also affected the performance of the Group's travel segment.

Turnover from the Group's publishing and printing segment dropped by 12.5% or US$33,244,000 to US$233,177,000 in 2016/2017 from US$266,421,000 in the last year. Segment profit before income tax fell by 36.3% or US$13,356,000 to US$23,446,000 from prior year's US$36,802,000. Besides the decline in revenue, the Group's result for the year was also adversely affected by the provision for impairment of goodwill which amounted to US$3,603,000.

Turnover of the travel segment for the year was US$69,409,000, reflecting a year-on-year decrease of 16.1%. Segment profit before income tax was down by 60.6% or US$3,786,000 to US$2,464,000.

The Malaysian Ringgit ("RM") and the Canadian dollar ("CAD") weakened against the US dollar during the year, resulting in negative currency impact on the Group's turnover and profit before income tax of approximately US$6,816,000 and US$980,000 or 2.0% and 2.6% respectively for the year ended 31 March 2017.

Basic earnings per share for the year ended 31 March 2017 was US0.90 cents, representing a decrease of US0.68 cents or 43.0% from US1.58 cents in the previous year. As at 31 March 2017, the Group's cash and cash equivalents and short-term bank deposits totalled US$90,032,000 and the Group's net assets per share attributable to owners of the Company was US11.48 cents.

SEGMENTAL REVIEW

Publishing and printing

Malaysia and other Southeast Asian countries

Turnover for the publishing and printing operations in Malaysia for the year ended 31 March 2017 was US$162,080,000, reflecting a decrease of 13.0% or US$24,307,000 compared to the previous year. The segment profit before income tax dropped 28.6% or US$11,318,000 to US$28,301,000 from US$39,619,000 a year ago. Provisions for impairment of goodwill of US$3,603,000 and US$1,957,000 were recognised in the current and prior financial year respectively, excluding which the decrease in segment profit before income tax would have been 23.3%. Depreciation of RM against the U.S. dollar generated an adverse currency impact of about US$997,000 on the segment profit before income tax. If currency impact was excluded, the decline in turnover and profit before income tax and provisions of impairment of goodwill would have been about 9.5% and 20.1% respectively.

The Group's continuous stringent cost control strategies and disciplines, such as streamlining printing and production processes, rationalising branch offices and scaling down labor forces have brought down the total operating cost despite persistent business cost pressures and inflation. The strategy in switching to lighter weight newsprint from 45gsm to 42gsm helped the Group gain better yield and the full impact was reflected in this financial year.

The Group has achieved double digits growth in digital business sales compared to the previous year. This has partially complemented and cushioned the top line decline in traditional media segment.

The Group is the leading Chinese news and information provider in Malaysia. With dominant competitiveness in Chinese language media industry in Malaysia, the Group publishes 4 daily newspapers, 1 tabloid and 17 magazine titles. According to the 2016 fourth quarter Nielsen Consumer and Media View report, the Group commanded an aggregate average daily readership of 2.2 million in Peninsular Malaysia while leading with an 80% of the total average daily print and digital replica circulation sales copies of Chinese language newspapers in Malaysia.

Sin Chew Daily held its position as the most read daily publication in Malaysia directing an average daily print circulation of 338,568 copies for the period of January to June 2016, according to the Audit Bureau of Circulation report ("ABC report").[1] Besides, the introduction and publication of Sin Chew Daily e-paper morning edition in February 2014 and evening edition in August 2015 have drawn an average daily subscription of 95,281 copies during January to June 2016 (ABC report). Moreover, in order to reach out to more readers on their mobile devices, Sin Chew Daily has successfully revamped its web-portal: www.sinchew.com.my on 15 June 2016, drawing closer to its 'mobile first' goal. Subsequent to the revamp, Sin Chew Daily witnessed a steady growth in the number of unique visitors as well as page views in its digital platform.

Apart from focusing on quality news, the Group has applied the mix and match strategy to optimise the competitive advantages of different affiliated entities under Sin Chew and Nanyang groups. We adopt audience-centric content transformation approach to focus and deliver relevant, valuable and unique contents via our print and on-line integrated platforms under different categories. The contents are focus and localised, with scarcity in the sense that public are unable to simply get from internet search. During the year, we have published a series of features targeting specific topics such as health and wellness, education and personal wealth management, etc, through Sin Chew Daily in both print and digital platforms. The combination and interaction of right content, platform, channel and model shall enable us to build up various unique communities with enthusiastic engagement of targeted followers and users to link up with the value chain in our business ecosystem.

To drive for growth in the fast evolving media landscape, Sin Chew Daily has connected consumers and interacted with readers through its multi-platforms media products. Sin Chew Daily has strategically launched various events and shows to broaden its reader base, to continuously engage with readers and partners besides reiterating the influence of the title in the media industry. Sin Chew Daily e-paper initiated the activities "Voice Journalist Search (VJ Search) (主播星勢代) " and "Sin Chew Best Story (星洲星劇本) " to inspire the young generation's imaginations and emotions. The activities gained a high popularity throughout Malaysia and have enhanced the stickiness of the young generation to Sin Chew Daily.

The Group also actively organised various events, shows and talks, including the Sin Chew Business Excellence Awards 2017, stocks investment forum, Goods and Services Tax forum, digital marketing forum, property forum, etc. targeted to reach out to more readers and at the same time create opportunities for businesses to link up with their right audiences.

With the second-largest readership among Chinese language newspapers in Malaysia, China Press maintained an average daily print and digital circulation of 202,317 copies during January to June 2016 (source: ABC report). Given its relentless efforts in tapping into digital business and enriching online content and accessibility, China Press accomplished a 300% robust growth in online advertisement revenue over the previous year. China Press also initiated creative advertising packages for premium clients including commercial survey ads, native ads on homepage and top publishing news ranking, app download tab premium, dedicated content page, video interview packages, etc.

[1] http://abcm.org.my/wp-content/reports/2016/abc-circulation-figures-jan-16-to-june-16-newspapers-west-and-east-malaysia-distribution.pdf

Guang Ming Daily, renowned for its entertainment and lifestyle features and quality regional news, recorded an average daily print and digital circulation of 90,762 copies during the period of January to June 2016 (source: ABC report). The publication launched its digital edition in February 2014 and is growing steadily.

Nanyang Siang Pau consistently adhered to developing its readership base of highly educated Chinese entrepreneurs, executives, management and businessmen by providing quality, informative and in-depth business news, with additional revenue stream through specialized book publication.

Hong Kong, Taiwan and Mainland China

The Group's Hong Kong, Taiwan and Mainland China publishing and printing operations recorded a total turnover of US$53,498,000 for the year ended 31 March 2017, reflecting a decrease of 12.1% or US$7,350,000 from US$60,848,000 in the previous year. The segment reported a loss before income tax of US$3,798,000 for the year under review as compared with a loss before income tax of US$1,821,000 in the last year. This was largely attributed to weaker performance from the Group's listed subsidiary, One Media Group Limited ("One Media Group").

The anti-corruption campaign and crackdown on conspicuous spending in Mainland China have taken a heavy toll on the retail markets in Hong Kong and Mainland China, in particular for the luxury product sector. The weak retail environment adversely influenced advertisers' expenditure on the media market. The continued shift of advertisements from traditional to digital media further aggravated the challenges faced by the segment.

Ming Pao Daily News ("Ming Pao"), the Group's iconic newspaper in Hong Kong, maintained its high journalistic standards in reportage. As an influential media, Ming Pao successfully won a total of 15 awards including 2 Winner awards, 2 First Runner-up awards, 6 Second Runner-up awards and 5 Merits in the Hong Kong News Awards 2016 which was organised by The Newspaper Society of Hong Kong. To blend into trending digital business, Ming Pao actively launched websites and apps featuring diversified themes including Olympic Games 2016 (http://oly2016.mingpao.com/), Chief Executive Election 2017 (http://ce2017.mingpao.com/), 《評台》 (http://www2.pentoy.hk/), a parenting and family education e-magazine app called Happy PaMa, a recruiting and hiring app called Jump and an online video streaming platform called IndieTV.

With licenses to publish textbooks on certain subjects for Hong Kong secondary school students, the Group's education business continued to display promising expansion momentum in both its circulation and market share. Revenue from this business grew by about 50% over last year.

Besides textbooks, Ming Pao has also developed a number of e-learning platforms including iRead, iCampus and Guide on Life Planning Education and Career Guidance which are all well received by teachers and students. In response to Hong Kong government's promotion of STEM (Science, Technology, Engineering, Mathematics) Education, Ming Pao pioneered in publishing the "STEM Education Special Supplement" introducing this new education methodology to schools in Hong Kong. STEM is a curriculum aimed to strengthen students' ability to integrate and apply knowledge and skills, as well as nurturing their creativity, collaboration and problem-solving skills.

The performance of One Media Group, which provides Chinese language lifestyle publications and outdoor media services in the Greater China region, was also adversely affected by the weak retail market conditions which led to subdued promotional spending by advertisers. As a consequence, One Media Group registered a double-digit decline in its turnover and a widened loss for the year ended 31 March 2017.

North America

Turnover of the Group's publishing and printing operations in North America dropped by 8.3% or US$1,587,000 to US$17,599,000 from last year's US$19,186,000. In addition to the region's slow economy, the cooling of the property market in Canada as a result of the government's restrictive policies also caused advertisers to shrink their spending which in turn affected the Group's publications in this segment. Driven by the decline in revenue, the segment's loss widened to US$1,057,000 from US$996,000 a year ago.

Travel and travel related services

In addition to the competitive market environment and weak consumer sentiment, security concerns that hampered people's travel plans also affected the Group's travel business. For the financial year 2016/2017, the Group's travel segment reported a total turnover of US$69,409,000, representing a year-on-year decline of 16.1% while segment profit before income tax fell 60.6% or US$3,786,000 to US$2,464,000.

Digital business

Digitalisation is an unstoppable trend. The Group has embraced the digital revolution and developed diversified websites and mobile apps which keep its readers abreast of the latest news and information. The Group also effectively uses Facebook, YouTube, WeChat and other social media platforms to intensify its branded publication titles and reach out to more audience especially the younger ones.

Sin Chew Daily e-paper is featured with a highly interactive new function that allows instant interaction with subscribers after an official revamp in June 2016. Subscribers are now able to download e-paper evening edition in the afternoon, to digest instant domestic or international news streaming on websites at any time with the assistance of the push notification. Sin Chew Daily e-paper also added new functions such as "Micro-film Section (微影視)" for the young generation to share short videos and "Lifestyle Blog (生活志)" and explore interesting places for fun, food and fashion.

China Press has been focusing on apps development and it has allocated sufficient resources into online content and promotional activities. Supported by higher traffic, China Press actively initiated a few creative advertisement packages targeting to add more choices for premium clients.

In Hong Kong, Ming Pao's main website, mingpao.com, went through extensive revamp and content enhancement during the current financial year. Ming Pao also launched other websites and apps featuring diversified themes in order to reach out to the extensive network of online readers. From the Google Analytics, the number of pageviews of mingpao.com has increased by about 29% since March 2016. In addition, according to Socialbakers, the facebook page of mingpao.com ranked 26th out of the top 100 media pages in Hong Kong and was in the 2nd place among all Chinese language newspapers.

In view of the increasing demand for online videos, an upgraded online mobile video portal "Pocketimes Plus" was launched in Malaysia which produces more lifestyle content and has reached monthly video views of 4 million during the year. The new Pocketimes also presented two other new programs including a 23-episodes health related program, food and Detective Le lifestyle program with Sin Chew e-paper in November 2016. Pocketimes has provided clients with diversified mix and match advertisement packages, from websites display ads to creative buys such as print or video advertorial and social media exposure.

The Group continues to expand its e-commerce business by focusing on "business to consumer (B2C)" model in its Logon online marketplace. The introduction of "call-to-buy" and "cash on delivery" features during the year has enabled a friendlier buying experience for home-shoppers which helped boost sales.

SUBSTAINABILITY

This year is the first year the Group launched its sustainability vision and policy. Despite having been observing sustainability practices in the past, it did not have a structured method to measure the outcome and effectiveness of the initiatives taken. The Group has commenced its sustainability practice by identifying material sustainability items and setting processes to measure the same.

As a result of the Group's efforts, there has been a slight reduction in the usage of resources like water and electricity. In terms of materials management, the Group continues to implement sustainability measures such as using newsprint made from recycled paper and ensuring print waste are sold to contractors for recycling. For the usage of ink or plates, the Group strives to increase ink mileage and reduce wastage of plates by minimising mistakes.

The Group practices diversity in the employment of its employees and ensures that its human resource practices are in compliance with the labour laws of Malaysia and Hong Kong. It also provides training and development to its employees to ensure that their skills continue to be relevant to the industry. While the Group endeavors to keep its workplace safe, a few workplace injuries occurred at the Group's printing plants during the year. These accidents were not fatal and were minimal lost time injuries. The Group will endeavor to reduce its workplace accidents in the coming year and uphold stringent standards of safety.

The Group continues to be active in its community investment activities which include nurturing talent, humanitarian and medical assistance.

PROPOSED DISPOSAL

Reference is made to the announcements of the Company dated 1 August 2016 (the "First Announcement") and 1 March 2017 (the "Subsequent Announcement"), the Board of Directors announced that on 22 July 2016, Comwell Investment Limited ("Comwell", as vendor), a wholly-owned subsidiary of the Company, the Company (as guarantor) and Qingdao West Coast Holdings (Internation) Limited ("Qingdao West Coast", as purchaser) entered into a share transfer agreement (the "Share Transfer Agreement"), pursuant to which Comwell conditionally agreed to sell and Qingdao West Coast conditionally agreed to purchase 292,700,000 shares in One Media Group Limited ("One Media"), representing approximately 73.01% of the entire issued share capital of One Media (the "Proposed Disposal"). Qingdao West Coast is a company incorporated in the British Virgin Islands, whose ultimate controlling shareholder is Qingdao West Coast Development (Group) Limited, which is a PRC state-owned enterprise. Completion of the Share Transfer Agreement is conditional upon the fulfilment (or, as appropriate, waiver by Qingdao West Coast) of the conditions precedent stipulated in the Share Transfer Agreement, which amongst others, include certain agreements ("CP Agreements") becoming executed and unconditional. As stated in the Subsequent Announcement, the Company announced that on 28 February 2017, all the terms of the CP Agreements have been finalised.

Reference is also made to the announcement of the Company dated 28 March 2017 (the "Extension Announcement"), the Board of Directors announced that on 28 March 2017, Comwell and Qingdao West Coast entered into a fourth supplemental agreement which further extended the long stop date of the Share Transfer Agreement to 30 June 2017. For details, please refer to the First Announcement, the Subsequent Announcement and the Extension Announcement.

The Proposed Disposal has no material impact on the Group's consolidated financial information for the year ended 31 March 2017.

OUTLOOK

The Group remains cautious about the business conditions for the year ahead. China is tightening its capital outflows policies which may have adverse influence on the advertising and promotion budgets from advertisers especially for the property and luxury industries in the Greater China region. The US new administration's policies may also trigger some negative influence on the trade and business conditions that affect the Group's North America operations. Furthermore, the potential for further substantial cost savings is likely to be limited, particularly after several rounds of cost-cutting exercises throughout the Group favourable.

However, the probable 14th Malaysian General Election is expected to present favourable opportunities for advertising spending in 2017. The media market in Hong Kong is also expected to show some improvement driven by the 20th anniversary of the establishment of the HKSAR. In addition, the recent growth in the number of Mainland visitors to Hong Kong and the uptake of retail sales in March 2017 may also provide some boost to the advertising market.

Furthermore, the Group will continue to explore opportunities to broaden its revenue stream and to expand its presence in the digital market.

PLEDGE OF ASSETS

As at 31 March 2017 and 2016, none of the Group's assets were pledged to secure any banking facilities.

CONTINGENT LIABILITIES

As at 31 March 2017, 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 consolidated 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.

CAPITAL COMMITMENTS

As at 31 March 2017, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in this consolidated financial information amounted to US$192,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in this consolidated financial information amounted to US$390,000.

LIQUIDITY, FINANCIAL RESOURCES AND NET GEARING RATIO

As at 31 March 2017, the Group's cash and cash equivalents and short-term bank deposits amounted to US$90,032,000 (2016: US$140,950,000) and total bank and other borrowings were US$53,376,000 (2016: US$116,116,000). The net cash position was US$36,656,000 (2016: US$24,834,000). Owners' equity was US$193,694,000 (2016: US$213,024,000).

The net gearing ratio of the Group, calculated as net debt over owners' equity, was nil as at 31 March 2017 and 2016.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2017, the Group had 4,208 employees (2016: 4,368 employees), the majority of whom were employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director or any of his/her associates is involved in dealing with his/her own remuneration.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 March 2017, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities.

CLOSURE OF THE REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on Friday, 11 August 2017. The register of members in Hong Kong will be closed on Monday, 7 August 2017 to Friday, 11 August 2017, both days inclusive, during which no transfer of shares will be registered. In order to qualify for attending the forthcoming annual general meeting, 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 Friday, 4 August 2017. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to attend the annual general meeting only in respect of shares transferred into the depositor's securities account before 4:00 p.m. on Friday, 4 August 2017.

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 Monday, 7 August 2017 to Friday, 11 August 2017, both days inclusive.

CLOSURE OF THE REGISTER OF MEMBERS FOR SECOND INTERIM DIVIDEND

The register of members in Hong Kong will be closed on Tuesday, 20 June 2017 whereby no transfer of shares will be registered on that date. In order to qualify for the second interim dividend of US0.360 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 Monday, 19 June 2017. 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 Tuesday, 20 June 2017 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 shareholders on Monday, 10 July 2017.

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 Wednesday, 14 June 2017 to Tuesday, 20 June 2017, both days inclusive.

CORPORATE GOVERNANCE

The Board of Directors (the "Board") is committed to practising the highest standards of corporate governance and operating within a governance framework that is formulated based on the Malaysian Code on Corporate Governance 2012 (the "Malaysian Code") and the Corporate Governance Code (the "Hong Kong Code") contained in Appendix 14 of the HK Listing Rules. The Company has adopted the principles and recommendations of the Malaysian Code and all the code provisions in the Hong Kong Code as its own code on corporate governance practices.

Save as disclosed below, during the year under review, the Company has met the code provisions as set out in the Hong Kong Code.

Following the passing away of Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH ("Temenggong Datuk Kenneth") on 1 March 2016 and until 22 June 2016, the Board comprised eight members, including five executive directors, one non-executive director and two independent non-executive directors ("INEDs"), with the number of INEDs falling below the minimum number required under Rule 3.10(1) of the HK Listing Rules and falling below one-third of the Board as required under Rule 3.10A of the HK Listing Rules and Paragraph 15.02 under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (the "Listing Requirements").

Temenggong Datuk Kenneth also served as the Chairman of the nomination committee ("Nomination Committee"), a member of the audit committee ("Audit Committee") and a member of the remuneration committee ("Remuneration Committee") of the Company. Following Temenggong Datuk Kenneth's passing away, the number of Audit Committee members was reduced from three to two, below the minimum number required under Rule 3.21 of the HK Listing Rules and Paragraph 15.09 under the Listing Requirements; the number of Remuneration Committee members decreased from five to four, comprising two INEDs, which failed to fulfil the requirement that a remuneration committee must comprise a majority of INEDs under Rule 3.25 of the HK Listing Rules; and the chair position of the Nomination Committee became vacant which did not fulfil the requirement under Code Provision A.5.1 of Appendix 14 of the HK Listing Rules.

On 23 June 2016, Mr. KHOO Kar Khoon was appointed as an INED, the Chairman of the Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee of the Company. Following the appointment of Mr. KHOO, the number of INEDs and Audit Committee members of the Company fulfils the minimum number as required under Rule 3.10(1), Rule 3.10A and Rule 3.21 of the HK Listing Rules and Paragraph 15.02 and Paragraph 15.09 under the Listing Requirements, the number of INEDs in the Remuneration Committee represents a majority as required under Rule 3.25 of the HK Listing Rules; and the appointment of the Chairman of the Nomination Committee fulfils the requirement under Code Provision A.5.1 of Appendix 14 of the HK Listing Rules.

In respect of the Malaysian Code, the Company has complied with the principles and recommendations set out in the Malaysian Code wherever possible save for (i) the appointment of a senior INED; and (ii) the appointment of an independent non-executive chairman, or to have a board with a majority of independent directors. The Board will continue to review and evaluate such recommendations under the Malaysian Code and is committed to achieving and sustaining high standards of corporate governance.

A detailed Statement on Corporate Governance setting out the Group's framework of governance and explanations about how the recommendations of the Malaysian Code and the code provisions in the Hong Kong Code have been applied will be included in the Company's Annual Report 2016/17.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the requirements and code as set out in (i) Chapter 14 (Dealings in Listed Securities) of the Listing Requirements ("Chapter 14 of the Listing Requirements of Bursa Securities") and (ii) Model Code for Securities Transactions by Directors of Listed Issuers (the "HK Model Code") contained in Appendix 10 of the HK Listing Rules. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standards as set out in (i) Chapter 14 of the Listing Requirements of Bursa Securities and (ii) the HK Model Code during the year under review.

SCOPE OF WORK OF MESSRS. PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2017 as set out in this preliminary announcement have been agreed by the Group's auditor, Messrs. PricewaterhouseCoopers, to the amount set out in the Group's consolidated financial statements for the year. The work performed by Messrs. PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagement or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. PricewaterhouseCoopers on the preliminary announcement.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed with management the consolidated financial statements for the year ended 31 March 2017, including accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
TIONG Kiew Chiong
Director

29 May 2017

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