世界華文媒體 MEDIA CHINESE

Interim Report 2017/18

世 界 華 文 媒 體 有 限 公 司
Media Chinese International Limited

明報 MING PAO DAILY NEWS

星洲日報 SIN CHEW DAILY

南洋商報 NANYANG SIANG PAU

中國報 CHINA PRESS

光明日報 Guang Ming Daily

Malaysia Company No.：995098-A Malaysia Stock Code：5090 Hong Kong Stock Code：685

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2017

	Note	(Unaudited) Six months ended 30 September 2017 US$'000	2016 US$'000
Turnover	7	**153,643**	168,251
Cost of goods sold	10	**(103,365)**	(108,606)
Gross profit		**50,278**	59,645
Other income	8	**3,758**	4,434
Other losses, net	9	**(99)**	(102)
Selling and distribution expenses	10	**(25,649)**	(28,543)
Administrative expenses	10	**(15,646)**	(15,763)
Other operating expenses	10	**(2,419)**	(2,815)
Operating profit		**10,223**	16,856
Finance costs	11	**(1,311)**	(2,624)
Share of post-tax results of joint ventures and associates		**84**	311
Profit before income tax		**8,996**	14,543
Income tax expense	12	**(3,848)**	(4,674)
Profit for the period		**5,148**	9,869
Profit/(loss) attributable to:			
Owners of the Company		**5,724**	10,169
Non-controlling interests		**(576)**	(300)
		5,148	9,869
Earnings per share attributable to owners of the Company			
Basic (US cents)	13	**0.34**	0.60
Diluted (US cents)	13	**0.34**	0.60

The notes on pages 8 to 30 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2017

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Profit for the period	**5,148**	9,869
Other comprehensive income/(loss)		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	**7,211**	(9,052)
Other comprehensive income/(loss) for the period, net of tax	**7,211**	(9,052)
Total comprehensive income for the period	**12,359**	817
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	**12,918**	1,149
Non-controlling interests	**(559)**	(332)
	12,359	817

The notes on pages 8 to 30 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	Note	**(Unaudited) As at 30 September 2017 US$'000**	(Audited) As at 31 March 2017 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*15*	**96,235**	96,266
Investment properties		**15,117**	14,587
Intangible assets		**44,870**	43,231
Deferred income tax assets		**236**	226
Investments accounted for using the equity method		**529**	731
Other non-current financial assets		**118**	–
		157,105	155,041
Current assets			
Inventories		**22,143**	19,918
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**343**	346
Trade and other receivables	*16*	**43,633**	41,239
Income tax recoverable		**1,239**	2,133
Short-term bank deposits		**12,366**	10,086
Cash and cash equivalents		**92,344**	79,946
		172,165	153,765
Current liabilities			
Trade and other payables	*17*	**52,813**	46,634
Income tax liabilities		**2,010**	1,644
Bank and other borrowings	*18*	**7,984**	2,506
Current portion of other non-current liabilities	*20*	**27**	26
		62,834	50,810
Net current assets		**109,331**	102,955
Total assets less current liabilities		**266,436**	257,996

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	Note	(Unaudited) As at 30 September 2017 US$'000	(Audited) As at 31 March 2017 US$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	21	**21,715**	21,715
Share premium	21	**54,664**	54,664
Other reserves		**(119,072)**	(126,266)
Retained earnings		**243,390**	243,581
		200,697	193,694
Non-controlling interests		**2,629**	3,621
Total equity		**203,326**	197,315
Non-current liabilities			
Bank and other borrowings	18	**53,292**	50,870
Deferred income tax liabilities		**8,504**	8,622
Other non-current liabilities	20	**1,314**	1,189
		63,110	60,681
		266,436	257,996

The notes on pages 8 to 30 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2017

		(Unaudited)						
		Attributable to owners of the Company						
	Note	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 period		–	–	–	10,169	10,169	(300)	9,869
Other comprehensive loss								
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences		–	–	(9,020)	–	(9,020)	(32)	(9,052)
Other comprehensive loss, net of tax		–	–	(9,020)	–	(9,020)	(32)	(9,052)
Total comprehensive (loss)/ income for the period ended 30 September 2016		–	–	(9,020)	10,169	1,149	(332)	817
Total transactions with owners, recognised directly in equity								
2015/2016 second interim dividend paid	*14*	–	–	–	(10,123)	(10,123)	–	(10,123)
2015/2016 interim dividend paid by an unlisted subsidiary		–	–	–	–	–	(5)	(5)
2016/2017 interim dividend paid by an unlisted subsidiary		–	–	–	–	–	(2)	(2)
		–	–	–	(10,123)	(10,123)	(7)	(10,130)
At 30 September 2016		21,715	54,664	(116,735)	244,406	204,050	5,364	209,414

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2017

		(Unaudited)						
		Attributable to owners of the Company						
	Note	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 2017		21,715	54,664	(126,266)	243,581	193,694	3,621	197,315
Profit/(loss) for the period		–	–	–	5,724	5,724	(576)	5,148
Other comprehensive income								
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences		–	–	7,194	–	7,194	17	7,211
Other comprehensive income, net of tax		–	–	7,194	–	7,194	17	7,211
Total comprehensive income/(loss) for the period ended 30 September 2017		–	–	7,194	5,724	12,918	(559)	12,359
Total transactions with owners, recognised directly in equity								
2016/2017 second interim dividend paid	*14*	–	–	–	(6,074)	(6,074)	–	(6,074)
2016/2017 interim dividend paid by an unlisted subsidiary		–	–	–	–	–	(4)	(4)
2017/2018 interim dividend paid by an unlisted subsidiary		–	–	–	–	–	–*	–*
Change in ownership interest in a subsidiary without change of control	*22*	–	–	–	159	159	(429)	(270)
		–	–	–	(5,915)	(5,915)	(433)	(6,348)
At 30 September 2017		21,715	54,664	(119,072)	243,390	200,697	2,629	203,326

* *negligible*

The notes on pages 8 to 30 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2017

		(Unaudited) Six months ended 30 September	
		2017	2016
	Note	***US$'000***	*US$'000*
Cash flows from operating activities			
Cash generated from operations		**16,390**	17,738
Interest paid		**(1,290)**	(2,630)
Income tax paid		**(3,030)**	(4,721)
Net cash generated from operating activities		**12,070**	10,387
Cash flows from investing activities			
Dividends received		**12**	140
Increase in short-term bank deposits with original maturity over three months		**(2,280)**	–
Interest received		**1,105**	1,732
Proceeds from disposal of property, plant and equipment		**9**	31
Purchases of intangible assets		**(91)**	(297)
Purchases of other non-current financial assets		**(115)**	–
Purchases of property, plant and equipment	*15*	**(287)**	(844)
Net cash (used in)/generated from investing activities		**(1,647)**	762
Cash flows from financing activities			
Transactions with non-controlling interests	*22*	**(270)**	–
Dividends paid	*14*	**(6,074)**	(10,123)
Dividends paid to non-controlling interests by an unlisted subsidiary		**(4)**	(7)
Proceeds from bank and other borrowings		**9,911**	2,534
Repayments of bank and other borrowings		**(4,499)**	(2,973)
Net cash used in financing activities		**(936)**	(10,569)
Net increase in cash and cash equivalents		**9,487**	580
Cash and cash equivalents at beginning of period		**79,946**	140,950
Exchange adjustments on cash and cash equivalents		**2,911**	(5,822)
Cash and cash equivalents at end of period		**92,344**	135,708

The notes on pages 8 to 30 are an integral part of this condensed consolidated interim financial information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Media Chinese International Limited (the "Company") is a limited liability company incorporated in Bermuda. Its registered address is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The Company is an investment holding company. The principal activities of its subsidiaries are publishing, printing and distribution of newspapers, magazines, books and digital contents primarily in the Chinese language, and the provision of travel and travel related services in Hong Kong, Taiwan, Mainland China, North America, Malaysia and other Southeast Asian countries. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") since 22 March 1991 and subsequently dual-listed on Bursa Malaysia Securities Berhad ("Bursa Securities") on 30 April 2008.

The condensed consolidated interim financial information of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2017 ("interim financial information") is presented in United States dollars ("US$") unless otherwise stated. This interim financial information has been approved for issue by the Board of Directors on 28 November 2017.

This interim financial information has not been audited.

2 BASIS OF PREPARATION

This interim 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") and applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the "HK Listing Rules") on the HK Stock Exchange.

This interim 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").

3 ACCOUNTING POLICIES

The accounting policies adopted for preparing this interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2017, except for the adoption of amendments to IFRSs that are effective for the financial year ending 31 March 2018.

There are no amended standards or interpretations that are effective for the first time for this interim period that is expected to have a material impact on the Group.

Taxes on income in the six months ended 30 September 2017 are accrued using the tax rate that would be applicable to expected total annual earnings.

3 ACCOUNTING POLICIES (Continued)

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
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	Insurance contracts	1 January 2018
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
IFRIC 22	Foreign currency transactions and advance consideration	1 January 2018

Impact of standards issued but not yet effective nor early adopted by the Group:

The adoption of the Amendments to IAS 28, Amendments to IAS 40, Amendments to IFRS 1, Amendments to IFRS 2, Amendments to IFRS 4, Amendments to IFRS 10 and IAS 28, and IFRIC 22 would not have any significant impact on the Group's result of operations and financial position.

NOTES TO THE INTERIM FINANCIAL INFORMATION

3 ACCOUNTING POLICIES (Continued)

(a) IFRS 9 "Financial Instruments"

IFRS 9 "Financial Instruments" addresses the classification, measurement and derecognition of financial assets and liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Group has decided not to adopt the IFRS 9 until it becomes effective for the financial year beginning 1 April 2018.

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 ("AFS") would appear to satisfy the conditions for classification as at fair value through other comprehensive income ("FVOCI") 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.

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.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("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.

While the Group is in the process of performing a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of adoption of the new standard.

3 ACCOUNTING POLICIES (Continued)

(b) *IFRS 15 "Revenue from Contracts with Customers"*

IFRS 15 addresses the recognition of revenue. This will replace IAS 18 which covers revenue arising from the sale of goods and the rendering of services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group has decided not to adopt the IFRS 15 until it becomes effective for the financial year beginning 1 April 2018.

Management is currently assessing the effects of applying the new standard on the Group's financial statements. At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessments of the impact.

(c) *IFRS 16 "Leases"*

IFRS 16 addresses the definition of a lease, recognition and measurement of leases. The standard replaces IAS 17 "Leases" and related Interpretations. A key change arising from IFRS 16 is that most operating leases will be accounted for in the lessee's statement of financial position.

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 statement 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 lessee's 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 lessee's statement of financial position. This will affect related ratios, such as the debt to capital ratio.

In the statement of comprehensive income, leases will be recognised in the future as depreciation and amortisation (for the right-of-use asset) and will no longer be recorded as property rental and related expenses. Interest expense on the lease liability will be presented separately from the depreciation and amortisation and will be included under finance costs. As a result, the property rental and related expenses under otherwise identical circumstances will decrease, while depreciation and amortisation and 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 the profit or loss in the initial year of the lease, and decreasing expenses during the latter part of the lease term.

The Group is a lessee of office premises which are currently classified as operating leases. The Group conducted preliminary assessment and estimated that the adoption of IFRS 16 would not result in significant impact on the Group's financial performance and position. The Group will continue to assess the impact in more details. The Group has decided not to adopt the IFRS 16 until it becomes effective for the financial year beginning 1 April 2019.

The Group's future operating lease commitments, which are not reflected in the condensed consolidated statement of financial position, under non-cancellable operating leases amounted to US$3,410,000 as at 30 September 2017.

There are no other new, amended or revised IFRS and interpretations that are not yet effective that would be expected to have a material impact on the Group.

NOTES TO THE INTERIM FINANCIAL INFORMATION

4 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 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 period.

During the six months ended 30 September 2017, the Group is 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 an increase in the exchange fluctuation reserve of US$7,194,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

5 ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2017.

6 FINANCIAL RISK MANAGEMENT

6.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk.

This interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2017.

There have been no significant changes in the Group's risk management policy since 31 March 2017.

6.2 Liquidity risk

Compared to 31 March 2017, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

6 FINANCIAL RISK MANAGEMENT (Continued)

6.3 Fair value estimation

For financial instruments that are measured at fair value, the Group classifies fair value measurements using a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's assets that are measured at fair value at 30 September 2017:

	(Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
	US$'000	***US$'000***	***US$'000***	***US$'000***
Financial assets at fair value through profit or loss				
Listed equity securities	**343**	**–**	**–**	**343**
Available-for-sale financial assets				
Unlisted club debentures	**–**	**–**	**97**	**97**
	343	**–**	**97**	**440**

The following table presents the Group's assets that are measured at fair value at 31 March 2017:

	(Audited)			
	Level 1	Level 2	Level 3	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Financial assets at fair value through profit or loss				
Listed equity securities	346	–	–	346
Available-for-sale financial assets				
Unlisted club debentures	–	–	97	97
	346	–	97	443

NOTES TO THE INTERIM FINANCIAL INFORMATION

6 FINANCIAL RISK MANAGEMENT (Continued)

6.3 Fair value estimation (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the entity-specific estimates. If all signification inputs required to determine the fair value of an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There was no transfer between level 1 and level 2 of the fair value hierarchy during the period. There was no change during the period attributable to level 3 of the fair value hierarchy.

7 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 by the Group Executive Committee for strategic decision 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.

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's turnover and results for the six months ended 30 September 2017, analysed by operating segment, are as follows:

	(Unaudited)					
	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	69,251	26,140	7,828	103,219	50,424	153,643
Segment profit/(loss) before income tax	10,485	(1,605)	(1,301)	7,579	2,901	10,480
Unallocated finance costs						(1,261)
Other net unallocated expenses						(307)
Share of post-tax results of joint ventures and associates						84
Profit before income tax						8,996
Income tax expense						(3,848)
Profit for the period						5,148
Other information:						
Interest income	1,051	17	19	1,087	18	1,105
Finance costs	(29)	(21)	–	(50)	–	(50)
Depreciation of property, plant and equipment	(3,174)	(653)	(159)	(3,986)	(43)	(4,029)
Amortisation of intangible assets	(358)	(99)	(8)	(465)	(18)	(483)
Income tax expense	(2,810)	(280)	–	(3,090)	(758)	(3,848)

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's turnover and results for the six months ended 30 September 2016, analysed by operating segment, are as follows:

	(Unaudited)					
	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	85,773	27,415	8,837	122,025	46,226	168,251
Segment profit/(loss) before income tax	16,209	(1,027)	(766)	14,416	2,780	17,196
Unallocated finance costs						(2,611)
Other net unallocated expenses						(353)
Share of post-tax results of joint ventures and associates						311
Profit before income tax						14,543
Income tax expense						(4,674)
Profit for the period						9,869
Other information:						
Interest income	1,666	47	9	1,722	10	1,732
Finance costs	(6)	(7)	–	(13)	–	(13)
Depreciation of property, plant and equipment	(3,555)	(746)	(178)	(4,479)	(64)	(4,543)
Amortisation of intangible assets	(403)	(111)	(7)	(521)	(20)	(541)
Income tax (expense)/credit	(4,115)	(70)	196	(3,989)	(685)	(4,674)

7 TURNOVER AND SEGMENT INFORMATION (Continued)

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 period is as follows:

	(Unaudited) Six months ended 30 September 2017 US$'000	(Unaudited) Six months ended 30 September 2016 US$'000
Advertising income, net of trade discounts	**70,820**	85,421
Sales of newspapers, magazines, books and digital contents, net of trade discounts and returns	**32,399**	36,604
Travel and travel related services income	**50,424**	46,226
	153,643	168,251

The segment assets and liabilities as at 30 September 2017 are as follows:

(Unaudited)	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	**247,867**	**44,998**	**12,594**	**305,459**	**22,041**	**(248)**	**327,252**
Unallocated assets							**2,018**
Total assets							**329,270**
Total assets include:							
Investments accounted for using the equity method	**–**	**529**	**–**	**529**	**–**	**–**	**529**
Additions to non-current assets (other than deferred income tax assets)	**419**	**46**	**25**	**490**	**3**	**–**	**493**
Segment liabilities	**(23,600)**	**(17,023)**	**(6,842)**	**(47,465)**	**(13,065)**	**248**	**(60,282)**
Unallocated liabilities							**(65,662)**
Total liabilities							**(125,944)**

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

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

	(Audited)						
	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 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, other non-current financial assets, 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 and amounts due from subsidiaries.

Segment liabilities consist primarily of trade and other payables, bank and other borrowings and other non-current liabilities. 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 subsidiaries.

NOTES TO THE INTERIM FINANCIAL INFORMATION

7 TURNOVER AND SEGMENT INFORMATION (Continued)

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

	(Unaudited) As at 30 September 2017 *US$'000*	(Audited) As at 31 March 2017 *US$'000*
Main operating countries		
Malaysia and other Southeast Asian countries	**134,170**	131,126
Hong Kong, Taiwan and Mainland China	**15,701**	16,737
Other countries	**6,998**	6,952
	156,869	154,815

8 OTHER INCOME

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Dividend income	**12**	11
Interest income	**1,105**	1,732
Licence fee and royalty income	**74**	73
Other media-related income	**883**	886
Rental and management fee income	**390**	394
Scrap sales of old newspapers and magazines	**1,276**	1,280
Others	**18**	58
	3,758	4,434

NOTES TO THE INTERIM FINANCIAL INFORMATION

9 OTHER LOSSES, NET

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Fair value losses on financial assets at fair value through profit or loss — net	**(1)**	(2)
Net exchange losses	**(98)**	(100)
	(99)	(102)

10 EXPENSES BY NATURE

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Amortisation of intangible assets	**483**	541
Depreciation of property, plant and equipment	**4,029**	4,543
Direct costs of travel and travel related services	**43,165**	39,184
Employee benefit expense (including directors' emoluments)	**45,336**	48,755
Gains on disposal of property, plant and equipment — net	**–**	(23)
Provision for impairment and write-off of trade and other receivables	**122**	191
Provision for impairment and write-off of inventories	**83**	81
Raw materials and consumables used	**22,746**	28,055
Other expenses	**31,115**	34,400
Total cost of goods sold, selling and distribution expenses, administrative expenses and other operating expenses	**147,079**	155,727

11 FINANCE COSTS

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Interest expense on medium-term notes	**1,261**	2,611
Interest expense on short-term bank borrowings	**50**	13
	1,311	2,624

12 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% for the six months ended 30 September 2017 (the tax rate for the six months ended 30 September 2016 was 16.5%) on the estimated assessable profit derived from Hong Kong for the period. Income tax for the Group's Malaysian operations is calculated at the rate of 24% for the six months ended 30 September 2017 (the tax rate for the six months ended 30 September 2016 was 24%) on the estimated assessable profit derived from Malaysia for the period. Taxation on other countries' profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

Income tax expense comprises the following:

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Hong Kong taxation		
Current period	**512**	567
Malaysian taxation		
Current period	**3,152**	4,495
Other countries' taxation		
Current period	**590**	244
Under provision in prior years	**3**	3
Deferred income tax credit	**(409)**	(635)
	3,848	4,674

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

NOTES TO THE INTERIM FINANCIAL INFORMATION

13 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	(Unaudited) Six months ended 30 September	
	2017	2016
Profit attributable to owners of the Company (*US$'000*)	**5,724**	10,169
Weighted average number of ordinary shares in issue	**1,687,236,241**	1,687,236,241
Basic earnings per share (*US cents*)	**0.34**	0.60
Diluted earnings per share (*US cents*)	**0.34**	0.60

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 six months ended 30 September 2017 and 2016.

14 DIVIDENDS

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Dividend attributable to the period:		
First interim, proposed, US0.25 cents (2016/2017: US0.36 cents) per ordinary share	**4,218**	6,074
Dividend paid during the period:		
Second interim, 2016/2017, US0.36 cents (2015/2016: US0.60 cents) per ordinary share *(note (a))*	**6,074**	10,123

The Board of Directors has declared a first interim dividend of US0.25 cents (2016/2017: US0.36 cents) per ordinary share in respect of the year ending 31 March 2018. The dividend will be payable on Friday, 29 December 2017 to shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 13 December 2017 in cash in RM or in Hong Kong Dollar ("HK$") at the average exchange rates used during the period ended 30 September 2017 for the translation of the results of the subsidiaries whose functional currencies are not US$. 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. This interim dividend has not been recognised as a dividend payable in this unaudited interim financial information. It will be recognised in shareholders' equity in the year ending 31 March 2018.

NOTES TO THE INTERIM FINANCIAL INFORMATION

14 DIVIDENDS (Continued)

The average exchange rates used during the period ended 30 September 2017 of US$ to RM and US$ to HK$, and the amount of the first interim dividend payable are as follows:

	Exchange rates	Dividend per ordinary share
US$ to RM	4.2940	1.074 sen
US$ to HK$	7.8111	HK1.953 cents

Note:

(a) 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.

15 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2017, the Group acquired property, plant and equipment at a cost of US$287,000 (six months ended 30 September 2016: US$844,000) and disposed of property, plant and equipment with a carrying amount of US$9,000 (six months ended 30 September 2016: US$8,000).

16 TRADE AND OTHER RECEIVABLES

	(Unaudited) As at 30 September 2017	(Audited) As at 31 March 2017
	US$'000	*US$'000*
Trade receivables	**37,429**	35,199
Less: provision for impairment of trade receivables	**(2,199)**	(2,294)
Trade receivables, net *(note)*	**35,230**	32,905
Deposits and prepayments	**5,522**	6,139
Other receivables	**2,881**	2,195
	43,633	41,239

As at 30 September 2017 and 31 March 2017, the fair values of trade and other receivables approximated the carrying amounts.

NOTES TO THE INTERIM FINANCIAL INFORMATION

16 TRADE AND OTHER RECEIVABLES (Continued)

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

As at 30 September 2017 and 31 March 2017, the ageing analysis of the net trade receivables (including amounts due from related parties of trading in nature) based on invoice date is as follows:

	(Unaudited) As at 30 September 2017 *US$'000*	(Audited) As at 31 March 2017 *US$'000*
1 to 60 days	**25,281**	22,320
61 to 120 days	**7,294**	7,934
121 to 180 days	**1,690**	1,196
Over 180 days	**965**	1,455
	35,230	32,905

17 TRADE AND OTHER PAYABLES

	(Unaudited) As at 30 September 2017 *US$'000*	(Audited) As at 31 March 2017 *US$'000*
Trade payables *(note)*	**15,610**	11,474
Accrued charges and other payables	**23,697**	19,954
Receipts in advance	**13,506**	15,206
	52,813	46,634

As at 30 September 2017 and 31 March 2017, the fair values of trade and other payables approximated the carrying amounts.

17 TRADE AND OTHER PAYABLES (Continued)

Note: As at 30 September 2017 and 31 March 2017, the ageing analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date is as follows:

	(Unaudited) As at 30 September 2017 *US$'000*	(Audited) As at 31 March 2017 *US$'000*
1 to 60 days	**12,642**	8,820
61 to 120 days	**2,713**	2,434
121 to 180 days	**117**	91
Over 180 days	**138**	129
	15,610	11,474

18 BANK AND OTHER BORROWINGS

	(Unaudited) As at 30 September 2017 *US$'000*	(Audited) As at 31 March 2017 *US$'000*
Current		
Short-term bank borrowings (secured)	**4,469**	1,636
Short-term bank borrowings (unsecured)	**3,515**	870
	7,984	2,506
Non-current		
Medium-term notes (unsecured)	**53,292**	50,870
Total bank and other borrowings	**61,276**	53,376

NOTES TO THE INTERIM FINANCIAL INFORMATION

19 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	(Audited) As at 31 March 2017	(Unaudited) Net cash inflows	(Unaudited) Non-cash changes Foreign exchange movement	**(Unaudited) As at 30 September 2017**
	US$'000	*US$'000*	*US$'000*	***US$'000***
Short-term bank borrowings	2,506	5,412	66	**7,984**
Medium-term notes	50,870	–	2,422	**53,292**
Total liabilities from financing activities	53,376	5,412	2,488	**61,276**

20 OTHER NON-CURRENT LIABILITIES

	(Unaudited) As at 30 September 2017	(Audited) As at 31 March 2017
	US$'000	*US$'000*
Retirement benefit obligations	**814**	773
Defined benefit plan liabilities	**527**	442
	1,341	1,215
Current portion of other non-current liabilities	**(27)**	(26)
Non-current portion of other non-current liabilities	**1,314**	1,189

NOTES TO THE INTERIM FINANCIAL INFORMATION

21 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Issued share capital *US$'000*	Share premium *US$'000*	Total *US$'000*
At 1 April 2017 and 30 September 2017	**1,687,236,241**	**21,715**	**54,664**	**76,379**

The number of authorised ordinary shares is 2,500 million shares (31 March 2017: 2,500 million shares) with a par value of HK$0.10 per share. All issued shares are fully paid.

22 CHANGE IN OWNERSHIP INTEREST IN A SUBSIDIARY WITHOUT CHANGE OF CONTROL

On 2 June 2017, Ming Pao Enterprise Corporation Limited, a wholly-owned subsidiary of the Company, acquired the remaining 2.22% of the issued share capital of Mingpao.com Holdings Limited ("MPCH") for a consideration of US$270,000. The carrying amount of the non-controlling interests in MPCH on the date of acquisition was US$429,000. MPCH became a wholly-owned subsidiary of the Company upon completion of this transaction.

The Group recognised a decrease in non-controlling interests of US$429,000 and an increase in equity attributable to owners of the Company of US$159,000. The effect of the change in the ownership interest of MPCH on the equity attributable to owners of the Company during the period is summarised as follows:

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Carrying amount of non-controlling interests acquired	**429**	–
Consideration paid to non-controlling interests	**(270)**	–
Gain from the equity transaction recognised within equity	**159**	–

NOTES TO THE INTERIM FINANCIAL INFORMATION

23 CAPITAL COMMITMENT

Capital commitments outstanding as at 30 September 2017 and 31 March 2017 are as follows:

	(Unaudited) As at 30 September 2017 ***US$'000***	(Audited) As at 31 March 2017 *US$'000*
Property, plant and equipment:		
Authorised and contracted for	**105**	192
Authorised but not contracted for	**323**	390
	428	582

24 CONTINGENT LIABILITIES

As at 30 September 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 unaudited interim 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.

NOTES TO THE INTERIM FINANCIAL INFORMATION

25 RELATED PARTY TRANSACTIONS

(a) Related party transactions

	(Unaudited) Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Event sponsorship commission paid to a related company *(note 1)*	**3**	–
Motor vehicle insurance premiums paid to a related company *(note 1)*	**1**	–
Newsprint purchases from a related company *(note 1)*	**7,707**	4,338
Provision of broadband internet services by a related company *(note 1)*	**1**	–
Provision of engineering professional services by a related company *(note 1)*	**22**	–
Purchases of air tickets from a related company *(note 1)*	**2**	15
Purchases of honey from a related company *(note 1)*	**1**	–
Rental expenses paid to related companies *(note 1)*	**42**	44
Advertising income received from related companies *(note 1)*	**(5)**	–
Commission received from sales of honey from a related company *(note 1)*	**(3)**	–
Content providing income received from a joint venture	**–**	(1)
Photo licensing income received from an associate	**(1)**	–
Provision of accounting and administrative services to related companies *(note 1)*	**(8)**	(8)
Provision of accounting service to an associate	**(78)**	(64)
Provision of air ticketing and accommodation arrangement services to related companies *(note 1)*	**(29)**	(18)
Rental income received from a related company *(note 1)*	**(2)**	(2)
Scrap sales of old newspapers and magazines to a related company *(note 1)*	**(474)**	(714)

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.

NOTES TO THE INTERIM FINANCIAL INFORMATION

25 RELATED PARTY TRANSACTIONS (Continued)

(b) Key management compensation

Key management comprised members of the Group's executive committees, some of whom are directors of the Company. The compensation paid or payable to the key management for employee services is shown below:

	(Unaudited)	
	Six months ended 30 September	
	2017	2016
	US$'000	*US$'000*
Directors' fees, basic salaries, bonuses, other allowances and benefits in kind *(note)*	**1,056**	1,243
Contributions to pension schemes	**63**	64
	1,119	1,307

Note: Other benefits in kind included housing, use of company cars, air tickets for home trips, insurance coverage and club membership.

(c) Balances with related parties

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2017	2017
	US$'000	*US$'000*
Receivables from related companies	**15**	27
Payables to related companies *(note)*	**(1,527)**	(871)

Note: The payables to related companies mainly arose from purchases of newsprint from a related company. The payables are unsecured, interest-free and repayable on demand.

(d) Ultimate controlling party

The ultimate controlling party of the Group is Tan Sri Datuk Sir TIONG Hiew King, who is the Group Executive Chairman and the controlling shareholder holding an aggregate equity of 50.62% in the Company as at 30 September 2017. Details of interests held by Tan Sri Datuk Sir TIONG Hiew King in the Company are set out in paragraph (a) "Interests and short positions in the shares, underlying shares and debentures of the Company" on page 36.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

	(Unaudited) For the six months ended 30 September		
(US$'000)	**2017**	2016	% change
Turnover	**153,643**	168,251	–8.7%
Profit before income tax	**8,996**	14,543	–38.1%
EBITDA	**13,714**	20,519	–33.2%
Basic earnings per share (US cents)	**0.34**	0.60	–43.3%

OVERALL REVIEW OF OPERATIONS

For the six months ended 30 September 2017, the Group's turnover decreased by 8.7% or US$14,608,000 to US$153,643,000 when compared to the corresponding period last year. This was mainly due to a 15.4% decrease in the turnover of the Group's publishing and printing segment, which was partly cushioned by a 9.1% increase in the turnover of the travel segment.

The profit before income tax for the current period dropped 38.1% or US$5,547,000 to US$8,996,000 when compared to the previous year. Accordingly, the Group's EBITDA for the first half-year of 2017/2018 dropped 33.2% or US$6,805,000 from the prior year period to US$13,714,000.

The decline in profit before income tax was due primarily to the weaker performance of the Group's publishing and printing segment amid the challenging operating environment in the industry. The impact was partially offset by increased profit contribution from the travel segment as well as continued cost savings across all operations. Further, with the partial redemption of the medium-term notes in February 2017, finance costs reduced by 50.0% from last year's US$2,624,000 to US$1,311,000 for the current period.

The market conditions remained soft for the Group's publishing and printing segment during the period under review, weighed down by weak consumer and business spending as well as increasing challenges from the digital media. Compared with the same period of last year, the Group's printing and publishing segment's turnover dropped 15.4% or US$18,806,000 to US$103,219,000 from US$122,025,000 while profit before income tax fell 47.4% or US$6,837,000 to US$7,579,000 from US$14,416,000.

Turnover for the Group's travel segment amounted to US$50,424,000 for the current period, reflecting a year-on-year growth of 9.1% or US$4,198,000. Driven by the increase in revenue, the travel segment's profit before income tax rose 4.4% or US$121,000 to US$2,901,000 from US$2,780,000 in the corresponding period last year.

During the six months ended 30 September 2017, both the Malaysian Ringgit ("RM") and the Canadian dollar ("CAD") weakened against the US dollar which resulted in negative currency impacts on the Group's operating results for the period. If currency impact was excluded, the decreases in the Group's turnover and profit before income tax would have been about 6.0% and 33.3% respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL REVIEW OF OPERATIONS (Continued)

Basic earnings per share for the six months ended 30 September 2017 was US0.34 cents, a decrease of US0.26 cents or 43.3% from US0.60 cents in the corresponding period last year. It would have been a decrease of 38.5% if currency impact was excluded.

As at 30 September 2017, the Group's cash and cash equivalents and short-term bank deposits amounted to US$104,710,000, an increase of 16.3% since 31 March 2017; and the Group's net gearing ratio was nil, same as at 31 March 2017.

SEGMENTAL REVIEW

Publishing and printing

Malaysia and other Southeast Asian countries

The operating environment for the Group's publishing and printing segment remained challenging during the period under review. Despite the improving Malaysian economy, consumer spending remained weak due to higher cost of living, fuelled by inflation and the weakened RM. Total gross adex in Malaysia for the period of April to September 2017 fell 12% year-over-year while the decline for newspapers' adex was 21%.

For the six months ended 30 September 2017, turnover for the Malaysia segment registered a decrease of 19.3% or US$16,522,000 to US$69,251,000 from US$85,773,000 in the same period last year. This was primarily attributable to the decline in revenue from the segment's print business, the impact of which was mitigated by the growth in revenue from the segment's digital business as well as cost savings. The segment reported a 35.3% year-on-year drop in profit before income tax to US$10,485,000 from US$16,209,000. If currency impact was excluded, the decline in the Malaysia segment's turnover and profit before income tax would have been about 13.9% and 31.0% respectively.

Sin Chew Daily maintains its position as the market leader in Malaysia's Chinese newspaper market with a combined print and digital daily circulation of 446,099 copies for the period from July to December 2016 according to the Audit Bureau of Circulation report ("ABC report"). *China Press* remains the second most read Chinese language newspaper in Malaysia with a combined average daily circulation of its print and digital versions of 187,346 copies during the period from July to December 2016 (source: ABC report).

Since the launch of its first digital newspaper edition of *Nanyang Siang Pau* about 4 years ago, the total circulation copies of the electronic editions of the Group's 4 newspapers in Malaysia has grown to about 157,700 copies by September 2017. *Sin Chew Daily's* digital edition has increased to about 127,400 copies, whilst *Guang Ming Daily*, the Group's publication in the north of Peninsular Malaysia, saw its e-paper copies grow to about 12,400 copies.

The publications have redeveloped their sales strategies by leveraging on both their print and digital platforms together with a combination of marketing events and activities. They have also focused on expanding their reach to advertisers in the local community.

The Malaysian operation is still working on enhancing the content on the digital platforms such as Pocketimes, the websites of the respective publications, and their social media sites.

SEGMENTAL REVIEW (Continued)

Publishing and printing (Continued)

Hong Kong, Taiwan and Mainland China

Turnover for the six-month period amounted to US$26,140,000, reflecting a decrease of 4.7% or US$1,275,000 from US$27,415,000 in the corresponding period last year. In Hong Kong, the economy remained soft and advertisers were still cautious with their promotional spending, especially for the luxury goods sector. Furthermore, the increasing shift of advertising dollar from print to digital media put additional pressure on the segment's performance. Despite an overall increase of about 5% in the market's advertising spending during the period, the growth was mainly driven by the television, interactive and mobile sectors, whereas print newspapers and magazines registered decreases of about 5% and 30% respectively.

The segment reported a loss before income tax of US$1,605,000 for the period, which widened from last year's loss of US$1,027,000. The weaker performance was mainly due to losses incurred by One Media Group, the Group's lifestyle magazine operations, of which the performance continued to be adversely affected by the subdued advertising spending on luxury products.

Through the offer of cross-platform targeted advertising solutions and quality digital content, the segment achieved a double-digit growth in revenue from its digital business during the six months ended 30 September 2017.

The segment's educational textbook business also continued to grow as planned with its recent publication "*STEM*" receiving positive responses from the market. The Group will continue to leverage on its resources and distribution network in order to further expand this business.

North America

The region's slow economy and the continued challenges from the fast-growing digital market weighed on the performance of the Group's operations in North America. Turnover of this segment registered a decline of 11.4% to US$7,828,000 from US$8,837,000, while the segment's loss widened to US$1,301,000 from US$766,000 in the prior year period. The Group has taken efforts to broaden the segment's revenue source as well as to contain costs and streamline its processes.

Travel and travel related services

The turnover for the travel segment increased to US$50,424,000 in the six-month period, 9.1% or US$4,198,000 over the US$46,226,000 reported in the same period last year. The revenue growth was largely driven by higher demand for the North America operations' outbound tours given the stronger US dollar and CAD. However, the unusually low fares offered by the airlines during the summer peak season and the strengthening of the euro adversely affected the segment's profit margin. Segment profit before income tax registered a smaller growth of 4.4% or US$121,000 from last year's US$2,780,000 to US$2,901,000 in the period under review.

MANAGEMENT DISCUSSION AND ANALYSIS

SEGMENTAL REVIEW (Continued)

Digital business

To ride the waves of digital transformation, the Group has intensified its efforts in creating quality content, including video content, for its digital platforms. The Group has also improvised the manner in which advertisement space was sold by offering advertisers more targeted cross-platform marketing solutions involving print, digital and marketing events.

These efforts resulted in the Group achieving a double-digit growth in revenue from its digital business for the six months ended 30 September 2017.

The Group enjoys a leading position as a news and content provider among local Chinese-language newspapers in Malaysia. It has capitalized on its strength to expand its reach to multiple digital platforms, i.e. e-papers, online sites and mobile applications over the past few years to enhance consumers' and readers' stickiness. The Group also ventured into digital commerce through Logon and rolled out its online video portal, Pocketimes. Total page views per month have grown from 74.8 million in September 2016 to 116.4 million in September 2017, achieving a year-on-year growth of 36%, and digital audiences grew to 11.1 million unique visitors. During the same period, Pocketimes' video views reached 4.1 million per month. This demonstrates that the Group's products continue to be well accepted by its readers and users. Its strong audience base will also bring in more digital advertising, especially video advertising, opportunities for the Group in the quarters ahead.

With its comprehensive and high quality news coverage, the Group's main website for *Ming Pao Daily News*, mingpao.com, has been ranked in the top five in terms of the number of unique visitors among the digital extension of traditional printed newspapers in Hong Kong. Besides its main website, the facebook page of mingpao.com has also gained traction with close to 340,000 likes and ranked 2nd place among Chinese language newspapers in Hong Kong according to the latest statistics. *Ming Pao Daily News* has also launched other websites and a number of mobile apps featuring diversified themes including news, magazines, books, TV programmes and recruitment, in order to reach out to the extensive network of online readers.

Moving forward, the Group will focus on monetization of its digital traffic and content as well as provision of multi-platform advertising services, combining traditional print advertising with digital advertising across online and mobile channels within the Group.

STATUS OF CORPORATE PROPOSAL

Reference is made to the announcement of the Company dated 1 August 2016 (the "First 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.

MANAGEMENT DISCUSSION AND ANALYSIS

STATUS OF CORPORATE PROPOSAL (Continued)

Reference is also made to the announcement of the Company dated 31 August 2017 (the "Lapse Announcement"), pursuant to the Share Transfer Agreement (as supplemented by the fifth supplemental agreement dated 30 June 2017), the share transfer closing is conditional upon the conditions, as set out in the First Announcement, to be satisfied or waived (as the case may be) before 31 August 2017 ("Long Stop Date") or such later date as the parties to the Share Transfer Agreement may agree in writing. As at the Long Stop Date, none of the conditions precedent to the Share Transfer Agreement is satisfied or waived (as the case may be). As the parties to the Share Transfer Agreement have not reached any agreement to further extend the Long Stop Date, the Share Transfer Agreement has lapsed and become of no effect. For details, please refer to the First Announcement and the Lapse Announcement.

The lapse of the Share Transfer Agreement has no material impact on the Group's consolidated financial information for the period ended 30 September 2017.

OUTLOOK

Market conditions in the second half of the financial year 2017/2018 are expected to remain challenging for the Group. For the print media, advertising spending will remain slow given the still weak consumer spending and the continuing shifting of print advertising dollars to big digital and social media players like Google and Facebook. In addition, newsprint price has started showing signs of an upward trend which will further put pressure on the Group's performance.

Nevertheless, the Group will continue its efforts in developing innovative marketing packages integrating its print and digital businesses, enhancing its digital infrastructure, building its digital content and ensuring that its products and content stay competitive and relevant to its readers.

PLEDGE OF ASSETS

As at 30 September 2017 and 31 March 2017, none of the Group's assets were pledged to secure any banking facilities.

LIQUIDITY, FINANCIAL RESOURCES AND NET GEARING RATIO

As at 30 September 2017, the Group's cash and cash equivalents and short-term bank deposits amounted to US$104,710,000 (31 March 2017: US$90,032,000) and total bank and other borrowings were US$61,276,000 (31 March 2017: US$53,376,000). The net cash position was US$43,434,000 (31 March 2017: US$36,656,000). Owners' equity was US$200,697,000 (31 March 2017: US$193,694,000).

The net gearing ratio of the Group, calculated as net debt over owners' equity, was nil as at 30 September 2017 and 31 March 2017.

OTHER INFORMATION

INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS, CHIEF EXECUTIVES AND THEIR ASSOCIATES

As at 30 September 2017, the interests and short positions of the directors, chief executives and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "HK Model Code") contained in Appendix 10 of the HK Listing Rules are as follows:

(a) Interests and short positions in the shares, underlying shares and debentures of the Company

	Number of shares held				
Name of director	**Personal interests**	**Family interests**	**Corporate interests**	**Total interests in shares**	**Percentage of issued ordinary shares**
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	234,566	766,734,373 *(note 1)*	854,077,997	50.62%
Dato' Sri Dr TIONG Ik King	11,144,189	–	252,487,700 *(note 2)*	263,631,889	15.63%
Ms TIONG Choon	2,654,593	1,023,632	653,320	4,331,545	0.26%
Mr TIONG Kiew Chiong	2,141,039	–	–	2,141,039	0.13%
Mr LEONG Chew Meng	80,000	–	–	80,000	–*

All the interests stated above represent long positions in the shares of the Company.

* *negligible*

Notes:

(1) The corporate interests of 766,734,373 shares of the Company held by Tan Sri Datuk Sir TIONG Hiew King comprise:

(i) 296,463,556 shares held by Progresif Growth Sdn Bhd ("Progresif");
(ii) 252,487,700 shares held by Conch Company Limited ("Conch");
(iii) 75,617,495 shares held by Ezywood Options Sdn Bhd ("Ezywood");
(iv) 65,319,186 shares held by Teck Sing Lik Enterprise Sdn Bhd ("TSL");
(v) 52,875,120 shares held by Madigreen Sdn Bhd ("Madigreen");
(vi) 15,536,696 shares held by Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS");
(vii) 6,532,188 shares held by Rimbunan Hijau Southeast Asia Sdn Bhd ("RHSA");
(viii) 1,902,432 shares held by Pertumbuhan Abadi Asia Sdn Bhd ("PAA").

Tan Sri Datuk Sir TIONG Hiew King directly holds 84% interest in TSL and 99.99% interest in PAA. In addition, PAA directly holds 47.62% interest in both RHS and RHSA, and 45% interest in Madigreen. Tan Sri Datuk Sir TIONG Hiew King also directly and indirectly holds 45% interest in Progresif and 70% interest in Ezywood. The details of shares held by Conch are set out in note 2 below.

(2) Conch holds 252,487,700 shares of the Company. 40% of the interest in Conch is held by Seaview Global Company Limited, a company jointly owned by Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King. In addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King directly hold 25% and 22% of the interest in Conch respectively.

INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS, CHIEF EXECUTIVES AND THEIR ASSOCIATES (Continued)

(b) *Interests and short positions in the shares, underlying shares and debentures of One Media*

	Number of shares held			
Name of director	**Personal interests**	**Corporate interests** *(note 1)*	**Total interests in shares**	**Percentage of issued ordinary shares of One Media**
Tan Sri Datuk Sir TIONG Hiew King	–	292,700,000	292,700,000	73.01%
Dato' Sri Dr TIONG Ik King	–	292,700,000	292,700,000	73.01%
Ms TIONG Choon	26,000	–	26,000	0.01%

All the interests stated above represent long positions in the shares of One Media.

Note:

(1) Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in 292,700,000 shares in One Media held by Comwell Investment Limited which is an indirect wholly-owned subsidiary of the Company. Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in 50.62% and 15.63% of the Company's shares respectively. Details of their shareholdings in the Company are set out in paragraph (a) "Interests and short positions in the shares, underlying shares and debentures of the Company" on page 36.

Save as disclosed above, as at 30 September 2017, none of the directors, chief executives and their associates had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the HK Model Code.

At no time during the six months ended 30 September 2017 were rights to acquire benefits by means of the acquisition of shares, underlying shares or debentures of the Company granted to any directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company or its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire such rights in any other body corporate.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2017, the following persons (other than the directors and chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO:

Name of shareholder	Number of ordinary shares held	Percentage of issued ordinary shares
Progresif Growth Sdn Bhd *(note 1)*	296,463,556	17.57%
Conch Company Limited *(note 2)*	252,487,700	14.96%

All the interests stated above represent long positions in the shares of the Company.

Notes:

(1) Tan Sri Datuk Sir TIONG Hiew King holds, directly and indirectly, 45% interest in Progresif.

(2) The details of shares held by Conch are set out in note 2 of paragraph (a) "Interests and short positions in the shares, underlying shares and debentures of the Company " on page 36.

Save as disclosed above and those disclosed under "Interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations held by the directors, chief executives and their associates", the Company had not been notified of any other persons or corporations who had interests or short positions representing 5% or more of the issued share capital of the Company as at 30 September 2017.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the six months ended 30 September 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

The register of members in Hong Kong will be closed on Wednesday, 13 December 2017 whereby no transfer of shares will be registered on that date. In order to qualify for the first interim dividend of US0.25 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, 12 December 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 Wednesday, 13 December 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 first interim dividend will be payable to the shareholders on Friday, 29 December 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 Thursday, 7 December 2017 to Wednesday, 13 December 2017, both days inclusive.

OTHER INFORMATION

EMPLOYEES AND EMOLUMENT POLICY

As at 30 September 2017, the Group had 4,071 employees (31 March 2017: 4,208 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.

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 (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 period under review, the Company has met the code provisions as set out in the Hong Kong Code.

Code provision E.1.2 of the Hong Kong Code stipulates that the chairman of the board should attend the annual general meeting. Upon doctor's advice, Tan Sri Datuk Sir TIONG Hiew King, the Chairman of the Board, was on medical leave and unable to attend the annual general meeting of the Company held on 11 August 2017. In his absence, Mr TIONG Kiew Chiong, the Group Chief Executive Officer and an executive director of the Company, attended and took the chair of the said annual general meeting and ensured that proceedings of the meeting were conducted in order. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Hong Kong Code.

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 independent non-executive director ("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.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the requirements and code as set out in (i) Chapter 14 (Dealings in Listed Securities) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Chapter 14 of the Listing Requirements of Bursa Securities") and (ii) 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 period under review.

OTHER INFORMATION

AUDIT COMMITTEE

The Audit Committee was established on 30 March 1999. It currently has three members, namely, Mr YU Hon To, David (Chairman), Datuk CHONG Kee Yuon and Mr KHOO Kar Khoon, all of them are INEDs. The Audit Committee meets regularly with the management and the external auditor to discuss the audit process and accounting issues, and reviews the effectiveness of the Group's risk management and internal control systems.

The Audit Committee has reviewed with management this interim financial information, including accounting principles and practices adopted by the Group and discussed risk management and internal control systems and financial reporting matters.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. It currently has four members, namely, Datuk CHONG Kee Yuon (Chairman), Mr YU Hon To, David, Mr KHOO Kar Khoon and Mr TIONG Kiew Chiong. Except for Mr TIONG Kiew Chiong who is an executive director, the rest of the members are all INEDs. The Remuneration Committee is responsible for the review of the Company's policies for the remuneration of its directors and senior management and the making of any recommendations in relation to such policies to the Board.

NOMINATION COMMITTEE

The Nomination Committee was established on 25 May 2005 with specific terms of reference that specify its authorities and duties. It currently has three members, namely, Mr KHOO Kar Khoon (Chairman), Mr YU Hon To, David and Datuk CHONG Kee Yuon, all of them are INEDs. The Nomination Committee's responsibilities include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

REVIEW OF INTERIM FINANCIAL RESULTS

This interim financial information has been reviewed by PricewaterhouseCoopers, the Company's independent auditor, in accordance with International Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the International Auditing and Assurance Standards Board.

OTHER INFORMATION

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the HK Listing Rules, set out below are the changes in information of directors since the date of the 2016/17 Annual Report:

With effect from 17 July 2017, Ms TIONG Choon has been re-designated from a non-executive director to an executive director of the Company. Ms TIONG's remuneration has been reviewed by the Remuneration Committee of the Company and was revised to RM120,000 per annum, which was determined by the Board with reference to her responsibilities and the prevailing market practice.

With effect from 2 October 2017, Mr NG Chek Yong resigned as an executive director, a member of the Remuneration Committee and the Chairman of the Group Executive Committee of the Company. In place of Mr NG, Mr TIONG Kiew Chiong has been appointed as the Chairman of the Group Executive Committee with effect from 2 October 2017.

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

28 November 2017

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

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2017

	(Unaudited) Six months ended 30 September	
	2017	2016
	RM'000	*RM'000*
	(note)	*(note)*
Turnover	**648,681**	710,356
Cost of goods sold	**(436,407)**	(458,535)
Gross profit	**212,274**	251,821
Other income	**15,866**	18,720
Other losses, net	**(418)**	(431)
Selling and distribution expenses	**(108,290)**	(120,508)
Administrative expenses	**(66,057)**	(66,551)
Other operating expenses	**(10,213)**	(11,885)
Operating profit	**43,162**	71,166
Finance costs	**(5,536)**	(11,078)
Share of post-tax results of joint ventures and associates	**355**	1,313
Profit before income tax	**37,981**	61,401
Income tax expense	**(16,246)**	(19,734)
Profit for the period	**21,735**	41,667
Profit/(loss) attributable to:		
Owners of the Company	**24,167**	42,934
Non-controlling interests	**(2,432)**	(1,267)
	21,735	41,667
Earnings per share attributable to owners of the Company		
Basic (sen)	**1.44**	2.53
Diluted (sen)	**1.44**	2.53

Note: The presentation currency of this unaudited interim financial information is US$. Supplementary information in RM for the period ended 30 September 2017 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM4.2220 ruling at 30 September 2017. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2017

	(Unaudited) Six months ended 30 September	
	2017	2016
	RM'000	*RM'000*
	(note)	*(note)*
Profit for the period	**21,735**	41,667
Other comprehensive income/(loss)		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	**30,445**	(38,218)
Other comprehensive income/(loss) for the period, net of tax	**30,445**	(38,218)
Total comprehensive income for the period	**52,180**	3,449
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	**54,540**	4,851
Non-controlling interests	**(2,360)**	(1,402)
	52,180	3,449

Note: The presentation currency of this unaudited interim financial information is US$. Supplementary information in RM for the period ended 30 September 2017 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM4.2220 ruling at 30 September 2017. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	(Unaudited) As at 30 September 2017 *RM'000* *(note)*	(Unaudited) As at 31 March 2017 *RM'000* *(note)*
ASSETS		
Non-current assets		
Property, plant and equipment	**406,304**	406,435
Investment properties	**63,824**	61,587
Intangible assets	**189,441**	182,521
Deferred income tax assets	**996**	954
Investments accounted for using the equity method	**2,233**	3,086
Other non-current financial assets	**500**	–
	663,298	654,583
Current assets		
Inventories	**93,488**	84,094
Available-for-sale financial assets	**410**	410
Financial assets at fair value through profit or loss	**1,448**	1,461
Trade and other receivables	**184,218**	174,111
Income tax recoverable	**5,231**	9,005
Short-term bank deposits	**52,209**	42,583
Cash and cash equivalents	**389,876**	337,532
	726,880	649,196
Current liabilities		
Trade and other payables	**222,977**	196,889
Income tax liabilities	**8,486**	6,941
Bank and other borrowings	**33,708**	10,580
Current portion of other non-current liabilities	**114**	110
	265,285	214,520
Net current assets	**461,595**	434,676
Total assets less current liabilities	**1,124,893**	1,089,259

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	(Unaudited) As at 30 September 2017 *RM'000* *(note)*	(Unaudited) As at 31 March 2017 *RM'000* *(note)*
EQUITY		
Equity attributable to owners of the Company		
Share capital	**91,681**	91,681
Share premium	**230,791**	230,791
Other reserves	**(502,722)**	(533,095)
Retained earnings	**1,027,593**	1,028,399
	847,343	817,776
Non-controlling interests	**11,100**	15,288
Total equity	**858,443**	833,064
Non-current liabilities		
Bank and other borrowings	**225,000**	214,773
Deferred income tax liabilities	**35,903**	36,402
Other non-current liabilities	**5,547**	5,020
	266,450	256,195
	1,124,893	1,089,259

Note: The presentation currency of this unaudited interim financial information is US$. Supplementary information in RM as at 30 September 2017 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM4.2220 ruling at 30 September 2017. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2017

	(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	91,681	230,791	(454,773)	1,031,688	899,387	24,078	923,465
Profit/(loss) for the period	–	–	–	42,934	42,934	(1,267)	41,667
Other comprehensive loss							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	–	–	(38,083)	–	(38,083)	(135)	(38,218)
Other comprehensive loss, net of tax	–	–	(38,083)	–	(38,083)	(135)	(38,218)
Total comprehensive (loss)/ income for the period ended 30 September 2016	–	–	(38,083)	42,934	4,851	(1,402)	3,449
Total transactions with owners, recognised directly in equity							
2015/2016 second interim dividend paid	–	–	–	(42,740)	(42,740)	–	(42,740)
2015/2016 interim dividend paid by an unlisted subsidiary	–	–	–	–	–	(21)	(21)
2016/2017 interim dividend paid by an unlisted subsidiary	–	–	–	–	–	(9)	(9)
	–	–	–	(42,740)	(42,740)	(30)	(42,770)
At 30 September 2016	91,681	230,791	(492,856)	1,031,882	861,498	22,646	884,144

ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2017

	(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 2017	**91,681**	**230,791**	**(533,095)**	**1,028,399**	**817,776**	**15,288**	**833,064**
Profit/(loss) for the period	**–**	**–**	**–**	**24,167**	**24,167**	**(2,432)**	**21,735**
Other comprehensive income							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences	**–**	**–**	**30,373**	**–**	**30,373**	**72**	**30,445**
Other comprehensive income, net of tax	**–**	**–**	**30,373**	**–**	**30,373**	**72**	**30,445**
Total comprehensive income/(loss) for the period ended 30 September 2017	**–**	**–**	**30,373**	**24,167**	**54,540**	**(2,360)**	**52,180**
Total transactions with owners, recognised directly in equity							
2016/2017 second interim dividend paid	**–**	**–**	**–**	**(25,644)**	**(25,644)**	**–**	**(25,644)**
2016/2017 interim dividend paid by an unlisted subsidiary	**–**	**–**	**–**	**–**	**–**	**(17)**	**(17)**
2017/2018 interim dividend paid by an unlisted subsidiary	**–**	**–**	**–**	**–**	**–**	**–***	**–***
Change in ownership interest in a subsidiary without change of control	**–**	**–**	**–**	**671**	**671**	**(1,811)**	**(1,140)**
	–	**–**	**–**	**(24,973)**	**(24,973)**	**(1,828)**	**(26,801)**
At 30 September 2017	**91,681**	**230,791**	**(502,722)**	**1,027,593**	**847,343**	**11,100**	**858,443**

* *negligible*

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ADDITIONAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2017

	(Unaudited) Six months ended 30 September	
	2017	2016
	RM'000	*RM'000*
	(note)	*(note)*
Cash flows from operating activities		
Cash generated from operations	**69,199**	74,890
Interest paid	**(5,446)**	(11,104)
Income tax paid	**(12,793)**	(19,932)
Net cash generated from operating activities	**50,960**	43,854
Cash flows from investing activities		
Dividends received	**51**	591
Increase in short-term bank deposits with original maturity over three months	**(9,626)**	–
Interest received	**4,665**	7,312
Proceeds from disposal of property, plant and equipment	**38**	131
Purchases of intangible assets	**(384)**	(1,254)
Purchases of other non-current financial assets	**(486)**	–
Purchases of property, plant and equipment	**(1,212)**	(3,563)
Net cash (used in)/generated from investing activities	**(6,954)**	3,217
Cash flows from financing activities		
Transactions with non-controlling interests	**(1,140)**	–
Dividends paid	**(25,644)**	(42,740)
Dividends paid to non-controlling interests by an unlisted subsidiary	**(17)**	(30)
Proceeds from bank and other borrowings	**41,844**	10,699
Repayments of bank and other borrowings	**(18,995)**	(12,551)
Net cash used in financing activities	**(3,952)**	(44,622)
Net increase in cash and cash equivalents	**40,054**	2,449
Cash and cash equivalents at beginning of period	**337,532**	595,091
Exchange adjustments on cash and cash equivalents	**12,290**	(24,581)
Cash and cash equivalents at end of period	**389,876**	572,959

Note: The presentation currency of this unaudited interim financial information is US$. Supplementary information in RM for the period ended 30 September 2017 with comparatives is shown for reference only and has been made at the same exchange rate of US$1 to RM4.2220 ruling at 30 September 2017. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

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