


**MEDIA CHINESE INTERNATIONAL LIMITED**
**世界華文媒體有限公司**
*(Incorporated in Bermuda with limited liability)*

(Malaysia Company No. 200702000044)

(Hong Kong Stock Code: 685)

(Malaysia Stock Code: 5090)

**To: Business Editor**
**【For Immediate Release】**

**FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED  
30 June 2022**

**Unaudited Financial Highlights**

	(Unaudited) Three months ended 30 June		
	2022 US\$'000	2021 US\$'000	% Change
Turnover	30,251	28,693	5.4%
Profit/(loss) before income tax	127	(1,915)	106.6%
EBITDA/(EBITDA loss)	1,525	(299)	610.0%

(29 August 2022) - **Media Chinese International Limited** (“**Media Chinese**” and, together with its subsidiaries, the “**Group**”, HKSE Stock Code: 685, KUL Stock Code: 5090) today announced the unaudited results for the first quarter ended 30 June 2022.

The Group’s turnover for the quarter under review improved by 5.4% to US\$30,251,000 from US\$28,693,000 in the prior year quarter. This improvement was mainly attributed to the increase in turnover for its travel segment. The growth in turnover, together with the increase in other income, resulted in the Group recording a profit before income tax of US\$127,000 as opposed to a loss before income tax of US\$1,915,000 in the prior year quarter.

EBITDA for the quarter was US\$1,525,000, compared to an EBITDA loss of US\$299,000 in the corresponding quarter last year.

During the current quarter, both the Malaysian Ringgit (“RM”) and the Canadian dollar (“C\$”) weakened against the US dollar, resulting in a negative currency impact of approximately US\$1,052,000 on the Group’s turnover and a positive currency impact of approximately US\$11,000 on the Group’s profit before income tax.

**(a) Publishing and Printing**

The Group's turnover for its publishing and printing segment improved marginally by 0.7% year-on-year in its first quarter of 2022/2023 to US\$28,836,000 from last year's US\$28,632,000 with only its Malaysia operations achieving an improvement. Despite the flat turnover, the segment recorded a profit before income tax of US\$591,000 for the quarter under review, which was a turnaround from a loss before income tax of US\$1,272,000 in the same quarter last year.

The turnover for the Group's Malaysia segment improved by 3.6% to US\$17,682,000 as compared to US\$17,075,000 in the prior year quarter. The increase was 9.2% in original currency, Malaysian Ringgit (RM). The segment saw growth in both its advertising and digital revenues, mainly driven by Malaysia's improving economy and the segment's aggressive marketing of its combined product packages. The growth was also contributed by the increase in the cover price of the segment's newspapers during the quarter. The segment reported a turnaround with a profit before income tax of US\$848,000 for the current quarter, compared with a loss before income tax of US\$93,000 a year ago. Besides the growth in revenue, the improved performance was also attributed to the segment's continued cost control efforts, especially on its manpower costs. However, the rising newsprint prices has caused the newsprint cost for the Malaysia operations to trend upwards albeit cushioned by its existing stock and will adversely affect the segment's profit margin in the coming quarters.

Hong Kong's economy contracted 1.3% in the second quarter of 2022 from a year earlier as the city continued to pursue its zero-COVID policy and strict quarantine measures. Affected by the slow economy, the turnover of the Group's Hong Kong and Taiwan segment fell by 2.1% to US\$9,452,000 from US\$9,658,000 in the same quarter of the previous year. Despite this decline in turnover, the segment reported a profit before income tax of US\$848,000, as opposed to a loss before income tax of US\$841,000 a year ago. This improvement was mainly attributed to the savings achieved from tight controls on expenditure, as well as the wage subsidies received from the Hong Kong government under the "2022 Employment Support Scheme". Furthermore, the segment saw improvement in its circulation revenue and traction in revenue generating events such as the "Ming Pao Awards for Excellence in Finance 2022" which also contributed to the segment's improved year-on-year performance.

The turnover for the Group's North America segment fell by 10.4% to US\$1,702,000 from US\$1,899,000 recorded in the prior year quarter. The segment's loss before income tax widened to US\$1,105,000 from US\$338,000 a year ago. Besides the decline in turnover, the increase in loss was also due to less subsidies from the local government in the current quarter.

**(b) Travel and travel related services**

With many countries transitioning to the endemic phase and opening up their borders, the travel industry has slowly resumed operations. The Group's travel segment saw an encouraging increase in its turnover to US\$1,415,000 from US\$61,000 recorded a year ago. The growth in turnover was mainly contributed by the segment's operations in North America where travel restrictions have been largely lifted. Driven by the improvement in turnover, the segment's loss before income tax narrowed by 37.8% to US\$304,000 from US\$489,000 recorded in the same quarter last year.

Basic loss per share for the first quarter ended 30 June 2022 was US0.02 cents, compared with US0.11 cents for the corresponding period in 2021. As at 30 June 2022, the Group's cash and cash equivalents and short-term bank deposits totaled US\$96,457,000, an increase of 1.2% since 31 March 2022. Net assets per share attributable to owners of the Company was US9.10 cents. The net gearing ratio was nil.

## Outlook

Commenting on the outlook of the remaining quarters, **Media Chinese's Group Chief Executive Officer, Mr. Francis TIONG said**, "In 2022, many countries like Malaysia have moved to the endemic phase with relaxed COVID-19 restrictions and border openings, hence leading to an increase in economic activities and international travelling. However, Hong Kong continued to follow its zero-COVID policy with social distancing restrictions and strict quarantine requirements for inbound visitors. Meanwhile, the escalation of tension between Russia and Ukraine has led to supply chain disruptions and rising inflation in many countries.

Against a backdrop of economic uncertainty and rising operating costs, the Group expects the remaining quarters of the financial year 2022/2023 to remain challenging and uncertain. Unless the markets where the Group operates have fully opened up and consumer sentiment improved, the Group expects its growth to be muted.

In addition, the current high newsprint price will put further pressure on the Group's operating margins. The Group will continue its efforts to minimise the impact on its earnings with strict cost containment measures and look at ways to adapt its operations and marketing efforts to target new revenue streams." Mr. TIONG concluded.

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**About Media Chinese International Limited (Stock Code: 685 HK)**

Media Chinese International Limited is a leading global Chinese language media group dual-listed on the mainboard of The Stock Exchange of Hong Kong Limited (Stock Code: 685) and Bursa Malaysia Securities Berhad (Stock Code: 5090). Media Chinese's product portfolio comprises newspapers, magazines and books in Southeast Asia, Greater China and North America. The Group has also expanded its business into the digital media.

Media Chinese is the major shareholder of One Media Group Limited (listed on the mainboard of The Stock Exchange of Hong Kong Limited, Stock Code: 426).

For more information, please visit: [www.mediachinesegroup.com](http://www.mediachinesegroup.com)

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