


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 SECOND QUARTER ENDED
30 September 2022**

Unaudited Financial Highlights

	(Unaudited) Three months ended 30 September			(Unaudited) Six months ended 30 September		
	2022 US\$'000	2021 US\$'000	% Change	2022 US\$'000	2021 US\$'000	% Change
Turnover	36,415	30,075	21.1%	66,666	58,768	13.4%
Profit/(loss) before income tax	2,028	1,762	15.1%	2,155	(153)	1,508.5%
EBITDA	3,394	3,313	2.4%	4,919	3,014	63.2%

(28 November 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 second quarter ended 30 September 2022.

For the quarter ended 30 September 2022, the Group recorded a turnover of US\$36,415,000, reflecting an increase of 21.1% over the same quarter last year with growth in both its publishing and travel businesses. This led to an increase in the Group's profit before income tax of 15.1% to US\$2,028,000 from US\$1,762,000 in the prior year quarter.

EBITDA for the quarter was US\$3,394,000, increased by 2.4% or US\$81,000 compared to 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 negative currency impacts of approximately US\$1,437,000 and US\$94,000 on the Group's turnover and profit before income tax respectively.

(a) Publishing and Printing

The turnover of the publishing and printing segment increased by 10.9% to US\$32,828,000 compared to US\$29,594,000 for the same quarter of the previous year. This segment recorded a profit before income tax of US\$2,230,000 for the quarter under review, reflecting an increase of 6.6% when compared to the prior year quarter.

For the quarter in review, the Malaysia operation achieved a 16.3% increase in turnover to US\$18,972,000 from US\$16,315,000 in the prior year quarter. The growth was backed by an improvement in Malaysia's economy as the country moved into the endemic phase of COVID-19 in April 2022 and economic activities gradually resumed. This was reflected by the improvement in the Malaysian economy which registered a stronger GDP growth of 8.9% in the second quarter of 2022 (1Q 2022: 5.0%) and a growth of 6.9% in the first half of 2022. Driven by the revenue growth, the Malaysia segment's profit before income tax rose nearly fourfold to US\$1,968,000 from US\$496,000 in the year-ago quarter.

Hong Kong's economy continued to slowly recover during the quarter on the back of the receding epidemic and the relaxation of social distancing measures. The market sentiment was further boosted by a new round of the government's Consumption Voucher Scheme and the Employment Support Scheme. Backed by an improved economy, the Group's Hong Kong and Taiwan operations' revenue grew by 5.5% year-on-year to US\$12,078,000 for the quarter in review. However, the segment's profit before income tax for the quarter fell by 24.3% to US\$1,330,000 from US\$1,758,000 in the prior year quarter. The decline in result was mainly due to the increase in operating expenses especially newsprint costs and sales-related expenses.

The Group's North America operations recorded a turnover of US\$1,778,000 which was a marginal decline of 2.8% from US\$1,829,000 in the same quarter last year. The segment's loss before income tax widened to US\$1,068,000 for the quarter under review from US\$163,000 a year earlier mainly due to the reduction in government subsidies received in the current quarter.

(b) Travel and travel related services

With the opening of borders by many countries which led to an increase in global travel, the turnover of the Group's travel segment increased to US\$3,587,000 for the quarter in review from US\$481,000 in the prior year quarter. The revenue growth helped the travel segment narrow its loss before income tax for the quarter by 71.8% to US\$40,000 from US\$142,000 recorded in last year. The improvement in turnover was mainly contributed by the segment's operations in North America which have started to operate both inbound and outbound tours following the relaxation of travel restrictions.

First half of FY2022/2023

The Group recorded a turnover of US\$66,666,000 for the six months ended 30 September 2022, an increase of 13.4% when compared to the same period last year. This was contributed by the growth in turnover from both the Group's publishing and printing and travel segments.

The improvement in its turnover resulted in the Group recording a profit before income tax of US\$2,155,000 for the six-month period as opposed to a loss before income tax of US\$153,000 recorded in last year.

Accordingly, the Group's EBITDA increased by 63.2% to US\$4,919,000 from US\$3,014,000 in the corresponding period last year.

During the six months ended 30 September 2022, both the RM and the C\$ weakened against the US dollar which resulted in negative currency impacts on the Group's operating results for the period. If currency impacts were excluded, the increases in the Group's turnover and profit before income tax would have been about US\$10,387,000 and US\$2,391,000 respectively.

Basic earnings per share for the six months ended 30 September 2022 was US0.06 cents, compared with a basic loss per share of US0.03 cents for the corresponding period in 2021. As at 30 September 2022, the Group's cash and cash equivalents and short-term bank deposits totaled US\$90,894,000, a decrease of 4.6% since 31 March 2022. Net assets per share attributable to owners of the Company was US8.76 cents. The net gearing ratio was nil.

The Board of Directors does not recommend any distribution of dividend for the six months ended 30 September 2022 (2021/2022: nil).

Outlook

Commenting on the outlook of the remaining quarters, **Media Chinese's Group Chief Executive Officer, Mr. Francis TIONG said**, "With the easing of social distancing rules and the opening of borders by many countries in 2022, global economy has started to recover and international trade and travels are picking up. However, the continuing geopolitical tensions have impacted supply chains and increased logistics costs. This, coupled with rising inflation and weakening of currencies in many countries, may dampen the global economy's recovery.

Nevertheless, barring any unforeseen circumstances, the Group expects that the economy in the Group's core markets will likely to continue to improve in the second half of the financial year 2022/2023. With Hong Kong relaxing its quarantine rules which will be conducive to the Group's tour and travel business; and Malaysia holding its 15th general election in the last quarter of 2022 which will likely ramp up the market's advertising spending, the Group anticipates that business in these markets will benefit from these market opportunities in the coming quarters. At the same time, the Group will remain vigilant in monitoring its costs whilst intensifying its efforts to roll out more curated content and multi-platform advertisement solutions." Mr. TIONG concluded.

– End –

