


**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 2023**

**Unaudited Financial Highlights**

	(Unaudited) Three months ended 30 June		
	2023 US\$'000	2022 US\$'000	% Change
Turnover	36,313	30,251	+20.0%
(Loss)/profit before income tax	(2,877)	127	-2,365.4%
(EBITDA loss)/EBITDA	(1,654)	1,525	-208.5%

(29 August 2023) - **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 2023.

The Group’s turnover grew by 20.0% from US\$30,251,000 in the corresponding quarter last year to US\$36,313,000 in the quarter under review. This improvement was mainly contributed by its travel segment which reported a near seven-fold year-on-year increase in turnover. On the other hand, the Group’s publishing and printing segment experienced a 7.2% decrease in turnover from the year-ago quarter. The Group reported a loss before income tax of US\$2,877,000 for the current quarter, compared to a profit before income tax of US\$127,000 a year ago. Besides the decline in revenue from its publishing and printing segment, the Group’s result for the current quarter was also adversely affected by higher newsprint costs and sales-related expenses, as well as the absence of government subsidies, which amounted to US\$1,353,000 in the same quarter last year.

EBITDA loss for the quarter was US\$1,654,000 against an EBITDA of US\$1,525,000 in the same 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\$816,000 on the Group's turnover and a positive currency impact of approximately US\$66,000 on the Group's loss before income tax.

#### **(a) Publishing and Printing**

For the first quarter of its financial year 2023/2024, the turnover of the Group's publishing and printing segment was US\$26,760,000, representing a decrease of 7.2% when compared to the turnover of US\$28,836,000 recorded in the same quarter last year. This segment reported a loss before income tax of US\$3,082,000 as opposed to a profit before income tax US\$591,000 in the prior year quarter.

The turnover of the Group's Malaysia operation fell by 10.1% to US\$15,898,000 for the current quarter, which resulted in the segment recording a loss before income tax of US\$886,000, compared to a profit before income tax of US\$848,000 a year ago. Meanwhile, the turnover of the Group's Hong Kong and Taiwan segment decreased by 4.0% to US\$9,073,000 from US\$9,452,000 recorded in the same quarter last year. The decline in turnover, together with the absence of government subsidies, resulted in the Hong Kong and Taiwan segment reporting a loss before income tax of US\$1,292,000 for the quarter under review, as against a profit before income tax of US\$848,000 a year ago.

The decline in turnover for both the Group's Malaysia and Hong Kong and Taiwan segments was largely attributed to the decrease in the segments' digital advertising and print circulation revenues. The former was partly caused by the decline in digital traffic through the Group's websites as people began spending more time outdoors and travelling and less time on the internet following the normalcy of economic activities. In addition, Meta's termination of its instant articles service on Facebook since April 2023 has negative impact on the Group's direct programmatic advertising revenue from Facebook, especially for the Malaysia segment as its digital audience depended very much on Facebook as a link to news media.

During the quarter, the Group organised various events including the "Nanyang Essence Award 2023", "Nanyang Centennial Outstanding Young Malaysian Award" and the "Ming Pao ESG Awards 2023" as part of its efforts to increase revenue.

Turnover for the Group's North America segment increased by 5.1% to US\$1,789,000 from US\$1,702,000 recorded in last year's corresponding quarter. This helped narrow the segment's loss before income tax by 18.2% to US\$904,000 from US\$1,105,000 recorded a year ago. The improvement in result was primarily driven by the growth in its circulation revenue and cost savings.

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

International tourism continued to recover as travel restrictions in many countries were relaxed and travellers' confidence returned. This had a positive effect on the Group's travel segment which recorded a 5.8 times increase in turnover to US\$9,553,000 from US\$1,415,000 in the same quarter last year. The growth in turnover was mainly contributed by the inbound tours from customers in Southeast Asia for its North America operations, as well as outbound tours to Europe and China for its Hong Kong operation, further fuelled by student tours for summer programs. Driven by the improvement in turnover, the travel segment recorded a profit before income tax of US\$354,000, a turnaround from a loss before income tax of US\$304,000 recorded in the year-ago quarter.

**Outlook**

Commenting on the outlook of the coming financial year, **Media Chinese's Group Chief Executive Officer, Mr. Francis TIONG said**, "with a slow global economic recovery, weak global trade and investment and the ongoing Russia-Ukraine conflict, the Group expects the remaining quarters of the financial year 2023/2024 to remain uncertain and challenging. However, it is anticipated that China may put in place some monetary and fiscal measures to stimulate its economy and adopt a more relaxed stance in external trade and economic relations. If China were to adopt such stance, this will benefit its trade partners and drive growth in the economy of the markets in which the Group operates.

The Group will continue to exercise prudent cost management while at the same time seek to expand its product offerings. In addition, the Group expects newsprint price to fall in the coming quarters which will contribute positively to the Group's overall performance." Mr. TIONG concluded.

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