Press Release

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 FOURTH QUARTER ENDED
31 MARCH 2024**

Unaudited Financial Highlights

	(Unaudited) Three months ended 31 March			**Year ended 31 March**		
	2024 US$'000	2023 US$'000	% Change	**2024 US$'000**	2023 US$'000	% Change
Turnover	**33,173**	31,371	5.7%	**147,018**	132,655	10.8%
Profit/(loss) before income tax and provisions for impairment losses of property, plant and equipment and intangible assets	**860**	(1,830)	147.0%	**(5,533)**	1,707	-424.1%
Provisions for impairment losses of property, plant and equipment and intangible assets	**(8,064)**	-	-100%	**(8,064)**	-	-100%
Loss before income tax	**(7,204)**	(1,830)	-293.7%	**(13,597)**	1,707	-896.5%
Adjusted EBITDA / (EBITDA Loss)	**1,980**	(565)	450.4%	**(774)**	7,102	-110.9%

(28 May 2024) - **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 fourth quarter ended 31 March 2024.

The Group's fourth-quarter turnover for the financial year ended 31 March 2024 increased by 5.7% to US$33,173,000 from US$31,371,000 in the same quarter last year. The increase was primarily driven by the Group's travel segment, which maintained its growth momentum during the current quarter amidst the global travel recovery and achieved a 168.8% increase in turnover to US$7,713,000 from US$2,869,000 in the prior year quarter. Conversely, the Group's turnover from its publishing and printing segment decreased by 10.7% from US$28,502,000 in the last corresponding quarter to US$25,460,000. While the economy in the Group's primary markets has begun to stabilise, the market sentiment was dampened by rising costs and a decline in consumer demand.

The Group reported a loss before income tax of US$7,204,000 for the quarter under review, compared to a loss of US$1,830,000 in the prior year quarter. The loss for the current quarter was caused by the provisions for impairment losses of certain plant and machinery and intangible assets totalling US$8,064,000. Excluding these provisions, the Group would have reported a profit before income tax of US$860,000, reflecting a 147.0% improvement over the last corresponding quarter's result. This was mainly attributed to cost savings and the increase in fair value gains recognised on the investment properties.

The Group's adjusted EBITDA for the quarter under review was US$1,980,000, compared to an EBITDA loss of US$565,000 in the prior year quarter.

During the current quarter, the RM weakened against the US$ while the Canadian dollar (C$) remained relatively stable, resulted in negative currency impact of approximately US$1,226,000 on the Group's turnover and positive currency impact of approximately US$280,000 on the Group's loss before income tax.

Publishing and Printing

During the quarter under review, the turnover of the publishing and printing segment declined by 10.7% to US$25,460,000 from US$28,502,000 recorded in the previous year. The segment reported a profit before income tax and provisions for impairment losses of US$1,275,000 for the quarter, reflecting a 191.9% increase over the loss before income tax of US$1,387,000 reported in the year-ago quarter. The improvement was mainly attributed to cost savings and the increase in fair value gains recognised on the investment properties.

Despite the Malaysian economy showing signs of improvement, turnover from the Group's Malaysian operations decreased by 12.3% to US$15,299,000 in the current quarter from US$17,442,000 in the corresponding quarter last year, primarily due to weak consumer demand. Furthermore, the weakening of RM and the increase in interest rates have impacted businesses which in turn adversely affected the market's advertising spend. Despite the decline in turnover, the segment's profit before income tax and provisions for impairment losses for the quarter amounted to US$3,106,000, an increase of 218.2% over the US$976,000 reported in the same quarter last year. This improvement was primarily due to cost savings and the increase in fair value gains on the investment properties.

The turnover of the Group's Hong Kong and Taiwan segment decreased by 8.3% to US$8,286,000 from US$9,037,000 in the same quarter last year, primarily driven by the decline in the segment's advertising revenue. Despite the decline in turnover, the segment's loss before income tax narrowed to US$1,329,000 from last year's US$1,903,000, mainly attributed to the savings from labour and paper costs, as well as sales-related expenses.

The North America operations' turnover for the quarter decreased by 7.3% to US$1,875,000 from US$2,023,000 a year ago, mainly due to the decline in advertising revenue. The segment reported a loss before income tax of US$502,000, which widened from the US$460,000 reported in the year-ago quarter. It was mainly due to the decline in revenue, which was partly mitigated by cost savings.

Travel and travel related services

During the quarter under review, the Group's travel segment saw continued improvement in its performance, achieving a 168.8% growth in its turnover to reach US$7,713,000 from US$2,869,000 reported a year ago. The growth was mainly attributed to the resurgence of global travel and the return of individuals to holiday trips. In addition, the segment's offer of luxury trips to Mainland China has received good response from customers and contributed to the increased turnover. This improvement in turnover resulted in a narrowing of the travel segment's loss before income tax to US$248,000 from US$336,000 reported in the corresponding quarter last year.

Year of FY 2023/24

For the financial year ended 31 March, 2024, the Group achieved a 10.8% growth in its turnover to US$147,018,000 from US$132,655,000 in the previous year. This growth was primarily driven by a significant increase in the turnover of its travel segment, which rose by 278.4% to US$39,619,000 from US$10,471,000 in the preceding financial year. However, the turnover of the Group's publishing and printing segment decreased by 12.1% from US$122,184,000 in FY 2022/23 to US$107,399,000 in FY 2023/24.

Despite the overall growth in turnover, the Group reported a loss before income tax and provisions for impairment losses of US$5,533,000, as opposed to a profit before income tax of US$1,707,000 recorded in the previous year. The decline in result was mainly due to the decrease in revenues from the publishing and printing business, partly compensated by cost savings, especially labour costs, paper costs and selling expenses. The Group has been striving to improve its operational efficiency and profitability amid the difficult business environment it faced in the year under review. This was reflected in the narrowing the Group's loss before income tax and provisions for impairment losses to US$401,000 in the second half of the FY 2023/24, from US$5,132,000 in the first half-year.

The Group's adjusted EBITDA loss for the year was US$774,000, as compared to an EBITDA of US$7,102,000 in the previous year.

For the financial year in review, both the RM and the C$ weakened against the US$, resulted in negative currency impact of approximately US$3,183,000 on the Group's turnover and positive currency impact of approximately US$334,000 on the Group's loss before income tax.

The Board has declared an interim dividend for the year ended 31 March 2024 of US0.15 cents (2022/2023: US0.15 cents) per ordinary share payable on 9 July 2024.

Outlook

Commenting on the outlook of the coming financial year, **Media Chinese's Group Chief Executive Officer, Mr. Francis TIONG said**, "The global situation has become more complex amid the escalation of geopolitical tensions, fuelled by the ongoing Russian-Ukrainian conflict and the resurgence of the Israeli-Palestinian conflict, leading to a surge in oil prices and revived concerns about the cooling inflationary crisis. The situation was further compounded by increasing tensions between China and the US, alongside other geopolitical conflicts, which are expected to continue impacting global demand and economic recovery. However, the rebound of the China economy may offer some relief.

Malaysia currently experiences political stability which fosters a favourable environment for business investment and economic growth. Notably, there has been an influx of sizable companies entering the Malaysian market, reflecting confidence in the country's economic outlook. In addition, the government's removal of visa requirements for Chinese and Indian travellers since 1 December 2023 has contributed to a boost in Malaysia's tourism sector.

In Hong Kong, the recent removal of all cooling measures on property sales has resulted in an increase in property transaction volume, signalling a potential ripple effect on overall economic activity and consumer spending. Furthermore, the government's plan to hold more mega events in Hong Kong is expected to bring more revenue for its retail and catering sectors, in addition to boosting the city's tourism business. These positive market developments would impact the Group's business in Hong Kong positively.

Despite a slight moderation in global inflation, the Group's operating costs are anticipated to remain high due to elevated commodity and energy costs and a strong US dollar. The management will continue to closely monitor the economic and political developments, adopt a cautious and prudent approach to cost management and ensure operational efficiency and effectiveness in all business units." 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 Malaysia, 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).

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